STATUTES OF CALIFORNIA

1983–84

REGULAR SESSION

1984 CHAPTERS

CHAPTER 1

An act to amend Section 2076 of the Business and Professions Code, relating to healing arts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor January 25, 1984. Filed with Secretary of State January 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 2076 of the Business and Professions Code is amended to read:

2076. (a) Notwithstanding any other provision of law, a physician who holds a current and valid license or certificate in any state or country who is serving as a physician for any team participating in "The Games of the XXIIIrd Olympiad" in California may engage in the practice of medicine and is exempted from licensure provided that the practice is limited exclusively to the care and treatment of Olympic team members from the physician's country. Any members of an Olympic team requiring care in an acute care hospital which is outside the jurisdictional confines of the Olympics shall be referred by the Olympic team physician to a California licensed physician. Except to the extent authorized by this section, the Olympic team physician shall not engage in the practice of medicine unless he or she has been issued a California Physicians and Surgeons certificate.

(b) Notwithstanding any other provision of the law, the official team manager who is responsible for any team member participating in "The Games of the XXIIIrd Olympiad" in California may give consent to the furnishing of hospital, medical, and surgical care to a minor who is a team member and that consent shall not be subject to disaffirmance because of minority. The consent of the parent, or parents, of such a person shall not be necessary in order to authorize hospital, medical, and surgical care.

(c) The foregoing limitations apply for the period July 14 to August 15, 1984.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that provisions relating to medical care for team members participating in the 1984 Olympics may be revised before the games take place, it is necessary that this act go into immediate effect.

CHAPTER 2

An act to amend Section 1798.24 of the Civil Code, relating to public records.

[Approved by Governor January 25, 1984. Filed with Secretary of State January 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1798.24 of the Civil Code is amended to read:

1798.24. No agency may disclose any personal or confidential information unless the disclosure of such information is:

(a) To the individual to whom the record pertains as set forth in Section 1798.34.

(b) With the prior written voluntary consent of the individual to whom the record pertains, but only if such consent has been obtained not more than 30 days before the disclosure, or in the time limit specified by the individual in the written consent.

(c) To the duly appointed guardian or conservator of the individual or a person representing the individual provided that it can be proven with reasonable certainty through the possession of agency forms, documents or correspondence that such person is the authorized representative of the individual to whom the information pertains.

(d) To those officers, employees, attorneys, or volunteers of the agency which has custody of the information if such disclosure is relevant and necessary in the ordinary course of the performance of their official duties and is related to the purpose for which the information was acquired.

(e) To a person, or to another agency where the transfer is necessary for the transferee agency to perform its constitutional or statutory duties, and such use is compatible with a purpose for which the information was collected and such use or transfer is listed in the notice provided pursuant to Section 1798.9 or accounted for in accordance with the provisions of Section 1798.25.

(f) To a governmental entity when required by state or federal law.

(g) Pursuant to the California Public Records Act, Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code.

(h) To a person who has provided the agency with advance adequate written assurance that the information will be used solely for statistical research or reporting purposes, but only if the information to be disclosed is in a form that will not identify any individual.

(i) Pursuant to a determination by the agency which maintains information that compelling circumstances exist which affect the

health or safety of an individual, if upon such disclosure notification is transmitted to the individual to whom the information pertains at his or her last known address. Disclosure shall not be made if it is in conflict with other state or federal law.

(j) To the State Archives of the State of California as a record which has sufficient historical or other value to warrant its continued preservation by the California state government, or for evaluation by the Director of General Services or his designate to determine whether the record has further administrative, legal, or fiscal value.

(k) To any person pursuant to a subpoena, court order, or other compulsory legal process if, before the disclosure, the agency reasonably attempts to notify such individual to whom the record pertains, and if such notification is not prohibited by law.

(*l*) To any person pursuant to a search warrant.

(m) Pursuant to Article 3 (commencing with Section 1800) of Chapter 1 of Division 2 of the Vehicle Code.

(n) For the sole purpose of verifying and paying government health care service claims made pursuant to Division 9 (commencing with Section 10000) of the Welfare and Institutions Code.

(o) To a law enforcement agency when required for an investigation of unlawful activity, unless such disclosure is otherwise prohibited by law.

(p) To another person or governmental organization to the extent necessary to obtain information from such person or governmental organization as necessary for an investigation by the agency of a failure to comply with a specific state law which the agency is responsible for enforcing.

(q) Personal information only to the Office of Information Practices when the transfer is necessary for that office to investigate a complaint it has received regarding an alleged violation of any provision of this chapter or to perform its mediation functions, provided that the Office of Information Practices has received the written voluntary consent of the individual to whom the information pertains for such a transfer.

(r) To an adopted person and is limited to general background information pertaining to the adopted person's natural parents, provided that such information does not include or reveal the identity of the natural parents.

(s) To a committee of the Legislature or to a Member of the Legislature, or his staff when authorized in writing by the member, where such member has permission to obtain the information from the individual to whom it pertains or where the member provides reasonable assurance that he is acting in behalf of the individual.

(t) To the University of California or a nonprofit educational institution conducting scientific research, provided the request for information includes assurances of the need for personal or confidential information, procedures for protecting the confidentiality of the information and assurances that the personal identity of the subject shall not be further disclosed in individually

identifiable form.

(u) To an insurer if authorized by Chapter 5 (commencing with Section 10900) of Division 4 of the Vehicle Code.

The provisions of this article shall not be construed to require the disclosure of confidential information to the individual to whom the information pertains when that information may otherwise be withheld as set forth in Section 1798.42.

CHAPTER 3

An act relating to community colleges and making an appropriation therefor, to take effect immediately, usual current expenses.

[Approved by Governor January 26, 1984. Filed with Secretary of State January 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The Legislature recognizes that the 1983–84 fiscal year level of funding for community colleges is significantly below that provided in the 1982–83 fiscal year, and that without restoration of base funding thousands of students and employees will experience undue hardship.

The Legislature further recognizes that the philosophical difference over the imposition of mandatory tuition at community colleges will not be resolved without extended review and discussion by the Governor and the Legislature.

SEC. 2. The sum of ninety-six million five hundred forty-one thousand dollars ($96,541,000) is hereby appropriated in augmentation of Schedule (a) of Item 6870-101-001 of the Budget Act of 1983 for apportionment to community college districts. This appropriation is for the usual current expenses of the state and shall take effect immediately pursuant to Section 8 of Article IV of the California Constitution.

CHAPTER 4

An act to add Title 4.6 (commencing with Section 4450) to, and Chapter 13 (commencing with Section 7200) to Title 7 of, Part 3 of the Penal Code, relating to correctional facilities, providing the funds necessary therefor through the issuance and sale of bonds of the State of California, providing for the submission of the measure to a vote of the people at an election, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 1, 1984. Filed with Secretary of State February 1, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Title 4.6 (commencing with Section 4450) is added to Part 3 of the Penal Code, to read:

TITLE 4.6. COUNTY JAIL CAPITAL EXPENDITURE BOND ACT OF 1984

CHAPTER 1. FINDINGS AND DECLARATIONS

4450. This title shall be known and may be cited as the County Jail Capital Expenditure Bond Act of 1984.

4451. It is found and declared that:

(a) While the County Jail Capital Expenditure Bond Act of 1981 has helped eliminate many of the critically overcrowded conditions found in the 164 county jail facilities in the state, many problems remain.

(b) Numerous county jails throughout California are dilapidated and overcrowded.

(c) Capital improvements are necessary to protect life and safety of the persons confined or employed in jail facilities and to upgrade the health and sanitary conditions of those facilities.

(d) County jails are threatened with closure or the imposition of court supervision if health and safety deficiencies are not corrected immediately.

(e) Due to fiscal constraints associated with the loss of local property tax revenues, counties are unable to finance the construction of adequate jail facilities.

(f) Imposition of limits on taxing powers of local agencies, imposed by Proposition 13 and other measures, has severely limited the ability of local jurisdictions to raise funds for jail construction or renovation, though the need for such facilities is increasing.

CHAPTER 2. FISCAL PROVISIONS

4460. The State General Obligation Bond Law is adopted for the purpose of the issuance, sale, and repayment of, and otherwise providing with respect to, the bonds authorized to be issued pursuant to this title, and the provisions of that law are included in this title as though set out in full in this chapter except that, notwithstanding anything in the State General Obligation Bond Law, the maximum maturity of the bonds shall not exceed 20 years from the date of each respective series. The maturity of each respective series shall be calculated from the date of these series.

4461. As used in this title, and for the purpose of this title, the following words shall have the following meanings:

(a) "Committee" means the County Jail Capital Expenditure Finance Committee created by Section 4463.

(b) "Fund" means the County Jail Expenditure Fund.

4462. There is in the State Treasury the County Jail Capital Expenditure Fund, which fund is hereby created.

4463. For the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this title, the County Jail Capital Expenditure Finance Committee is hereby created. The committee consists of the Governor or his or her designated representative, the Controller, the Treasurer, and the Director of Finance. The County Jail Capital Expenditure Committee shall be the "committee" as that term is used in the State General Obligation Bond Law, and the Treasurer shall serve as chairman of the committee. The Board of Corrections is hereby designated as "the board" for purposes of this title and for the purposes of the State General Obligation Bond Law.

4464. The committee is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of two hundred fifty million dollars ($250,000,000), in the manner provided in this title. Such debt or debts, liability or liabilities, shall be created for the purpose of providing the funds to be used for the object and work specified in Section 4465 and for administrative costs incurred in connection therewith.

4465. Moneys in the fund shall be available for the construction, reconstruction, remodeling, and replacement of county jail facilities, and the performance of deferred maintenance on county jail facilities pursuant to criteria adopted by the Legislature.

4465.5. During the design and planning stage for county jail facilities whose construction, reconstruction, or remodeling is financed by the fund, consideration shall be given to proper design to allow for areas where persons arrested for misdemeanors who are attempting to obtain release on bail can be safely accommodated without the necessity of unclothed body searches.

4466. (a) When sold, the bonds authorized by this title shall constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest thereon.

(b) There shall be collected annually in the same manner and at the same time as other state revenue is collected such a sum, in addition to the ordinary revenues of the state, as shall be required to pay the interest and principal on the bonds maturing each year, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act which shall be necessary to collect that additional sum.

(c) All money deposited in the fund which has been derived from premium and accrued interest on bonds sold shall be available for transfer to the General Fund as a credit to expenditures for bond

interest.

4467. All money deposited in the fund pursuant to any provision of law requiring repayments to the state for assistance financed by the proceeds of the bonds authorized by this title shall be available for transfer to the General Fund. When transferred to the General Fund, this money shall be applied as a reimbursement to the General Fund on account of principal and interest on the bonds which have been paid from the General Fund.

4468. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this title, such an amount as will equal the following:

(a) That sum annually as will be necessary to pay the principal of and the interest on the bonds issued and sold pursuant to the provisions of this title, as principal and interest become due and payable.

(b) That sum as is necessary to carry out the provisions of Section 4469, which sum is appropriated without regard to fiscal years.

4469. For the purpose of carrying out the provisions of this title, the Director of Finance may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this title. Any amounts withdrawn shall be deposited in the fund and shall be disbursed by the board in accordance with this title. Any money made available under this section to the board shall be returned by the board to the General Fund from moneys received from the sale of bonds sold for the purpose of carrying out this title. These withdrawals from the General Fund shall be returned to the General Fund with interest at the rate which would have otherwise been earned by these sums in the Pooled Money Investment Fund.

4470. The committee may authorize the Treasurer to sell all or any part of the bonds herein authorized at such time or times as may be fixed by the Treasurer.

4471. All proceeds from the sale of bonds, except those derived from premiums and accrued interest, shall be available for the purpose provided in Section 4465 but shall not be available for transfer to the General Fund to pay principal and interest on bonds. The money in the fund may be expended only as herein provided.

SEC. 2. Chapter 13 (commencing with Section 7200) is added to Title 7 of Part 3 of the Penal Code, to read:

CHAPTER 13. NEW PRISON CONSTRUCTION BOND ACT OF 1984

7200. This chapter shall be known and may be cited as the New Prison Construction Bond Act of 1984.

7201. The State General Obligation Bond Law is adopted for the purpose of the issuance, sale and repayment of, and otherwise providing with respect to, the bonds authorized to be issued by this chapter, and the provisions of that law are included in this chapter

as though set out in full in this chapter except that, notwithstanding anything in the State General Obligation Bond Law, the maximum maturity of the bonds shall not exceed 20 years from the date of each respective series. The maturity of each respective series shall be calculated from the date of such series.

7202. There is in the State Treasury the 1984 Prison Construction Fund, which fund is hereby created.

7203. The 1984 Prison Construction Committee is hereby created. The committee shall consist of the Controller, the State Treasurer, and the Director of Finance. That committee shall be the "committee," as that term is used in the State General Obligation Bond Law.

7204. The committee is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate of three hundred million dollars ($300,000,000), in the manner provided in this chapter. That debt or debts, liability or liabilities, shall be created for the purpose of providing the fund to be used for the object and work specified in Section 7206.

7205. The committee may determine whether or not it is necessary or desirable to issue any bonds authorized under this chapter, and if so, the amount of bonds then to be issued and sold. The committee may authorize the Treasurer to sell all or any part of the bonds herein authorized at such time or times as may be fixed by the Treasurer.

7206. The moneys in the fund shall be used for the construction, renovation, remodeling, and deferred maintenance of state correctional facilities.

7207. All bonds herein authorized, which shall have been duly sold and delivered as herein provided, shall constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest thereon.

There shall be collected annually in the same manner and at the same time as other state revenues are collected such a sum, in addition to the ordinary revenues of the state, as shall be required to pay the principal and interest on such bonds as herein provided, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of such revenue to do and perform each and every act which shall be necessary to collect such additional sum.

All money deposited in the fund which has been derived from premium and accrued interest on bonds sold shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

All money deposited in the fund pursuant to any provision of law requiring repayments to the state which are financed by the proceeds of the bonds authorized by this chapter shall be available for transfer to the General Fund. When transferred to the General Fund such money shall be applied as a reimbursement to the General Fund on account of principal and interest on the bonds which has

been paid from the General Fund.

7208. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this chapter such an amount as will equal the following:

(a) Such sum annually as will be necessary to pay the principal of and the interest on the bonds issued and sold pursuant to the provisions of this chapter.

(b) Such sum as is necessary to carry out the provisions of Section 7209, which sum is appropriated without regard to fiscal years.

7209. For the purpose of carrying out the provisions of this chapter, the Director of Finance may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund and shall be disbursed by the committee in accordance with this chapter. Any money made available under this section to the board shall be returned by the board to the General Fund from moneys received from the sale of bonds sold for the purpose of carrying out this chapter. Such withdrawals from the General Fund shall be returned to the General Fund with interest at the rate which would otherwise have been earned by those sums in the Pooled Money Investment Fund.

7210. All proceeds from the sale of bonds, except those derived from premiums and accrued interest, shall be available for the purpose provided in Section 7206 but shall not be available for transfer to the General Fund to pay principal and interest on bonds. The money in the fund may be expended only as herein provided.

7211. Money in the fund may only be expended for projects specified in this chapter pursuant to appropriations by the Legislature.

SEC. 3. Sections 1 and 2 of this act shall be separately submitted to the people, and either or both shall become operative upon the adoption of the measure or measures set forth in either or both sections.

SEC. 4. Notwithstanding Section 3525 of the Elections Code or any other provision of law, Section 1 and Section 2 of this act shall each be separately submitted to a vote of the people at the June 5, 1984, Direct Primary Election.

SEC. 5. Upon the effective date of this section, arguments for and against the measures hereby ordered submitted to the electors shall be prepared in the time, form, and manner as provided in Article 4 (commencing with Section 3525) and Article 6 (commencing with Section 3559) of Chapter 1 of Division 5 of the Elections Code.

SEC. 6. Notwithstanding any other provision of law, all ballots of the election, with respect to the measure set forth in Section 1 of this act, shall have printed thereon and in a square thereof, the words: " County Jail Capital Expenditure Bond Act of 1984," and in the same square under those words, the following in eight-point type: "This act

provides for the construction, reconstruction, remodeling, and replacement of county jails and the performance of deferred maintenance thereon pursuant to a bond issue of two hundred fifty million dollars ($250,000,000)." Opposite the square there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against the act. Where the voting of the election is done by means of voting machines used pursuant to law in such manner as to carry out the intent of this section, the use of the voting machines and the expression of the voters' choice by means thereof, shall be deemed to comply with the provisions of this section.

SEC. 7. Notwithstanding any other provision of law, all ballots of the election, with respect to the measure set forth in Section 2 of this act, shall have printed thereon and in a square thereof, the words: "New Prison Construction Bond Act of 1984" and in the same square under those words, the following in eight-point type: "This act provides for the construction, renovation, remodeling, and deferred maintenance of state correctional facilities pursuant to a bond issue of three hundred million dollars ($300,000,000)." Opposite the square there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against the act. Where the voting of the election is done by means of voting machines used pursuant to law in such manner as to carry out the intent of this section, the use of the voting machines and the expression of the voters' choice by means thereof, shall be deemed to comply with the provisions of this section.

SEC. 8. The votes cast for or against the measure set forth in Section 1 of this act and the votes cast for or against the measure set forth in Section 2 of this act shall, in each case, be counted, returned, and canvassed and declared in the same manner and subject to the same rules as votes cast for state officers; and if it appears that the measure shall have received a majority of all the votes cast for and against it at the election, then the measure shall have effect as provided in Section 3.

SEC. 9. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to facilitate the placing of the County Jail Capital Expenditure Bond Act and the New Prison Construction Bond Act of 1984 by the Secretary of State on the ballot of a 1984 statewide election, it is necessary that this act take effect immediately.

CHAPTER 5

An act to add Chapter 1.691 (commencing with Section 5096.225) to Division 5 of the Public Resources Code, relating to financing of a program of acquiring, developing, or restoring real property for state and local park, beach, recreational, or historical resources preservation purposes through the issuance and sale of bonds of the State of California and by providing for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 1, 1984. Filed with Secretary of State February 1, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 1.691 (commencing with Section 5096.225) is added to Division 5 of the Public Resources Code, to read:

CHAPTER 1.691. CALIFORNIA PARK AND RECREATIONAL FACILITIES ACT OF 1984

Article 1. General Provisions

5096.225. This chapter shall be known and may be cited as the California Park and Recreational Facilities Act of 1984.

5096.226. The Legislature hereby finds and declares that:

(a) It is the responsibility of this state to provide and to encourage the provision of recreational opportunities and facilities for citizens of California.

(b) It is the policy of the state to preserve, protect, and, where possible, restore coastal resources which are of significant recreational or environmental importance and, through proper planning and development, to make them available for the enjoyment of present and future generations of persons of all income levels, all ages, and all social groups.

(c) When there is proper planning and development, parks, beaches, recreation areas and recreational facilities, and historical resources preservation projects contribute not only to a healthy physical and moral environment, but also contribute to the economic betterment of the state, and, therefore, it is in the public interest for the state to acquire, develop, or restore areas for recreation, conservation, or preservation and to aid local governments of the state in acquiring, developing, or restoring those areas as will contribute to the realization of the policy declared in this chapter.

5096.227. The Legislature further finds and declares that:

(a) The demand for parks, beaches, recreation areas and recreational facilities, and historical resources preservation projects in California is far greater than what is presently available, with the

number of people who cannot be accommodated at the area of their choice or any comparable area increasing rapidly. Further, the development of parks, beaches, recreation areas and recreational facilities, and historical resources preservation projects has not proceeded rapidly enough to provide for their full utilization by the public.

(b) The demand for parks, beaches, recreation areas and recreational facilities, and historical resources preservation projects in the urban areas of our state is even greater since over 90 percent of the present population of California reside in urban areas; there continues to be a serious deficiency in open space and recreation areas in the metropolitan areas of the state; and less urban land is available, costs are escalating, and competition for land is increasing.

(c) There is a high concentration of urban social problems in California's major metropolitan areas which can be partially alleviated by increased recreational opportunities.

(d) There is a particularly high demand for recreational use at reservoirs and lakes within the state park system and recreational facilities at nonstate water facilities are particularly in need of expansion, rehabilitation, or restoration.

(e) California's coast provides a great variety of recreational opportunities not found at inland sites; it is heavily used because the state's major urban areas lie, and 85 percent of the state's population lives, within 30 miles of the Pacific Ocean; a shortage of facilities for almost every popular coastal recreational activity exists; and there will be a continuing high demand for popular coastal activities such as fishing, swimming, sightseeing, general beach use, camping, and day use. Funding for the development of a number of key coastal sites is critical at this time, particularly in metropolitan areas where both the demand for and the deficiency of recreational facilities is greatest.

(f) Cities, counties, and districts must exercise constant vigilance to see that the parks, beaches, recreation areas and recreational facilities, and historical resources they now have are not lost to other uses; they should acquire additional lands as those lands become available; they should take steps to improve the facilities they now have; and they should adequately operate and maintain their existing and proposed systems for the enjoyment of present and future generations of persons of all income levels, all ages, and all social groups.

(g) Past and current funding programs have not and cannot meet present deficiencies. This condition has become more acute as a result of restrictions on local governmental revenues. There is a need to give priority to further recreational development that can serve expanding recreational needs, produce operating revenues, and in some cases stimulate private sector jobs. In view of the present revenue shortages, and the increasing recreational demands, such a priority is most important at this time.

(h) In view of the foregoing, the Legislature declares that an

aggressive, coordinated, funded program for meeting existing and projected recreational demands must be implemented without delay.

5096.228. As used in this chapter, the following terms shall have the following meanings:

(a) "Coastal resources" means those land and water areas within the coastal zone, as defined in subdivisions (a) and (b) of Section 31006, and within the Santa Monica Mountains Zone, as described in Section 33105, which are suitable for public park, beach, or recreational purposes, including, but not limited to, areas of historical significance and areas of open space that complement park, beach, or recreational areas, or which are suitable for the preservation of coastal resource values.

(b) "District" means any district authorized to provide park, recreational, or open-space services, or a combination of those services, except a school district.

(c) "Fund" means the Parklands Fund of 1984.

(d) "Historical resource" includes, but is not limited to, any building, structure, site, area, or place which is historically or archaeologically significant, or is significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California.

(e) "Historical resources preservation project" is a project designed to preserve an historical resource which is either listed in the National Register of Historic Places or is registered as either a state historical landmark or point of historical interest pursuant to Section 5021.

(f) "Inland resources" means those land and water areas not included in the definition of coastal resources.

(g) "Program" means the Parklands Acquisition and Development Program of 1984 established by this chapter.

(h) "Stewardship" means the development and implementation of major programs for the protection, rehabilitation, restoration, and enhancement of the basic natural systems and outstanding scenic features of the state park system. It does not mean the maintenance or alteration of facilities, developments, or of any physical installations whose original purpose was not the protection of natural and scenic resources.

(i) "Sacramento-San Joaquin Delta" means those land and water areas defined in Section 12200 of the Water Code.

Article 2. Parklands Acquisition and Development Program

5096.231. All money deposited in the Parklands Fund of 1984 shall be available for appropriation in the manner set forth in Section 5096.260 for the purposes set forth below in amounts not to exceed the following:

(a) For grants to counties, cities, and

districts for the acquisition, development, rehabilitation, or restoration of real property for park, beach, recreational, or historical resources preservation purposes, including an amount not to exceed $1,500,000 for state administrative costs directly incurred in connection therewith, and further including the amount of $1,500,000 for grants to nonprofit organizations as provided in category (5), in accordance with the following schedule: $150,000,000

Schedule:

(1) Seventy-eight million five hundred thousand dollars ($78,500,000) for the development, rehabilitation, or restoration of real property for park, beach, and recreational purposes; provided, however, that each county shall be entitled to receive not less than two hundred thousand dollars ($200,000).

(2) Fifteen million dollars ($15,000,000) for the development, rehabilitation, or restoration of real property consisting of locally and regionally operated lakes, reservoirs and waterways.

(3) Forty-five million dollars ($45,000,000) for expenditure by the Department of Parks and Recreation for the purposes of the Roberti-Z'berg Urban Open-spaces and Recreation Program Act (commencing with Section 5620 of the Public Resources Code); provided however, that nothwithstanding Section 5627, funds made available pursuant to this category may be expended only for capital outlay purposes.

(4) Ten million dollars ($10,000,000) for acquisition, development, rehabilitation, or restoration of historical resources and for historical resources preservation

projects and costs of planning and interpretation.

(5) One million five hundred thousand dollars ($1,500,000) for the acquisition, development, rehabilitation, or restoration of real property for park and recreational purposes by nonprofit organizations.

(b) For acquisition, development, rehabilitation, or restoration of real property for the state park system in accordance with the following schedule: $145,000,000

Schedule:

(1) Forty-five million dollars ($45,000,000) for acquisition of real property inside the boundaries of existing projects or units or as additions to existing projects or units; provided, however, that not more than ten million dollars ($10,000,000) shall be expended on any one project or unit of the state park system.

(2) Forty million five hundred thousand dollars ($40,500,000) for development, rehabilitation, or restoration of coastal resources, other than coastal resources in or on San Francisco Bay, in accordance with the following schedule:

Schedule:

(A) Twenty-eight million five hundred thousand dollars ($28,500,000) within San Diego County through Santa Barbara County.

(B) Seven million five hundred thousand dollars ($7,500,000) within San Luis Obispo County through the City and County of San Francisco.

(C) Four million five hundred thousand dollars ($4,500,000) within Marin County through Del Norte County.

(3) Fourteen million five hundred thousand dollars ($14,500,000) for development, rehabilitation, or

restoration of resources in or on San Francisco Bay.

(4) Fifteen million dollars ($15,000,000) for development, rehabilitation, or restoration of inland resources.

(5) Fifteen million dollars ($15,000,000) for development, rehabilitation, or restoration at lakes, reservoirs, and waterways, including state water facilities, as defined in paragraphs (1) to (4), inclusive, of subdivision (d) of Section 12934 of the Water Code.

(6) Five million dollars ($5,000,000) for the repair of storm damage and construction to prevent future storm damage.

(7) Three million dollars ($3,000,000) for planning, development, rehabilitation, restoration, or interpretive facilities in support of volunteer community action projects for the state park system.

(8) Five million dollars ($5,000,000) for the increased stewardship of the public investment in the protection of the most critical natural and scenic features of the existing state park system.

(9) Two million dollars ($2,000,000) for development, rehabilitation, or restoration of real property for the state park system within the Sacramento-San Joaquin Delta.

(c) For the acquisition, development, or restoration of real property for wildlife management in accordance with the provisions of the Wildlife Conservation Law of 1947 (Chapter 4 (commencing with Section 1300) of Division 2 of the Fish and Game Code), including costs for planning and interpretation in accordance with the following schedule: $25,000,000

Schedule:

(1) Fifteen million dollars ($15,000,000) for the acquisition, deve-

lopment, rehabilitation, or restoration of real property for wildlife management.

(2) Ten million dollars ($10,000,000) for the acquisition, rehabilitation, or restoration of habitat for any bird, mammal, fish, amphibia or reptile declared rare or endangered pursuant to the Federal Endangered Species Act of 1973 (Title 16, United States Code Sec. 1531 et seq.) and subsequent amendments or designated by state statute as fully protected.

(d) (1) This subdivision shall become operative only if Senate Bill 512 of the 1983–84 Regular Session of the Legislature is approved by the voters, in which case, subdivision (c) of this section shall not be operative.

(2) Ten million dollars ($10,000,000) to the Santa Monica Mountains Conservancy for the purposes set forth in Division 23 (commencing with Section 33000), and for administrative costs directly incurred in connection therewith.

(3) Five million dollars ($5,000,000) for expenditure by the Wildlife Conservation Board pursuant to the Wildlife Conservation Law of 1947 (Chapter 4 (commencing with Section 1300) of Division 2 of the Fish and Game Code in accordance with the following schedule:

Schedule:

(A) Three million dollars ($3,000,000) for development, rehabilitation, or restoration of real property for coastal fishing piers.

(B) Two million dollars ($2,000,000) for acquisition, development, rehabilitation, or restoration of real property for wildlife-oriented public use projects.

(4) Ten million dollars ($10,000,000) for development, rehabilitation,

or restoration of real property for the state park system in accordance with the following schedule:

Schedule:

(A) Five million dollars ($5,000,000) in augmentation of subdivision (b) for development and restoration of historical resources and for historical resources preservation projects and costs of planning and interpretation.

(B) Three million dollars ($3,000,000) in augmentation of category (4) of subdivision (b).

(C) Two million dollars ($2,000,000) in augmentation of category (2) of subdivision (b).

5096.232. All money deposited in the State Coastal Conservancy Fund of 1984, not to exceed fifty million dollars ($50,000,000), shall be available for appropriation in the manner set forth in Section 5096.260 for the purposes set forth below in amounts not to exceed the following:

(a) Fifteen million dollars ($15,000,000) for the purposes set forth in Division 21 (commencing with Section 31000), and for state administrative costs directly incurred in connection therewith.

(b) Fifteen million dollars ($15,000,000) for grants to local public agencies or nonprofit organizations for projects in the San Francisco Bay and the Suisun Marsh of which not less than five million dollars ($5,000,000) shall be allocated to urban waterfront projects, and for state administrative costs directly incurred in connection therewith.

(c) Twenty million dollars ($20,000,000) for grants to local public agencies or nonprofit organizations to acquire, develop, or restore real property that consist of projects provided for in local coastal programs pursuant to Division 20 (commencing with Section

30000), and for state administrative costs directly incurred in connection therewith.

Article 3. Local Assistance Grants

5096.233. (a) All of the funds authorized in categories (1) and (2) of subdivision (a) of Section 5096.231 shall be available for grants on a competitive basis for projects which will fulfill one or more of the following objectives: rehabilitation or restoration of existing facilities, development of facilities to serve urban populations, development of facilities which increase the grant recipient's revenues by expanding public recreation services, or stimulation of new jobs. After at least two public hearings, the Director of Parks and Recreation shall prepare and the Secretary of the Resources Agency shall adopt criteria and procedures for evaluating those competitive grants.

(b) The funds authorized in category (1) of subdivision (a) of Section 5096.231 shall be available for appropriation of not more than twenty-eight million five hundred thousand dollars ($28,500,000) in the 1985–86 fiscal year and for appropriation of not more than twenty-five million dollars ($25,000,000) in each of the 1986–87 and 1987–88 fiscal years and shall be allocated among cities, counties, and districts located within the following regions in accordance with the following schedule, reduced pro rata by the amount of state administrative costs directly incurred under that category:

Schedule:	1985–86 fiscal year	1986–87 and 1987–88 fiscal years
(1) Del Norte, Humboldt, Mendocino, and Lake Counties	$ 300,000	$ 250,000
(2) Siskiyou, Modoc, Trinity, Shasta, Lassen, Tehama, Plumas, Glenn, Butte, and Colusa Counties	$ 700,000	$ 650,000
(3) Sierra, Sutter, Yuba, Nevada, Yolo, Placer, Sacramento, and El Dorado Counties	$ 1,511,000	$ 1,300,000
(4) Sonoma, Napa, Solano, Marin, Contra Costa, San Mateo, Alameda, and Santa Clara Counties and the City and County of San Francisco	$ 6,203,000	$ 5,385,000
(5) Amador, Alpine, San Joaquin, Calaveras, Tuolumne, Stanislaus, and Merced Counties	$ 995,000	$ 850,000
(6) Mariposa, Madera, Fresno, Kings, Tulare, and Kern Coun-		

ties	$ 1,580,000	$ 1,360,000
(7) Santa Cruz, San Benito, Monterey, San Luis Obispo, and Santa Barbara Counties	$ 1,119,000	$ 1,000,000
(8) Ventura, Los Angeles, San Bernardino, Orange, Riverside, and Imperial Counties	$13,795,000	$12,100,000
(9) San Diego County	$ 2,147,000	$ 1,980,000
(10) Mono and Inyo Counties	$ 150,000	$ 125,000

(c) Notwithstanding the schedule in subdivision (b), each county together with the cities and districts within that county shall be entitled to compete for not less than two hundred thousand dollars ($200,000) in grants under category (1) of subdivision (a) of Section 5096.231.

5096.234. Funds appropriated for local assistance grants pursuant to subdivision (a) of Section 5096.231 shall be encumbered by the recipient within three years of the date when the appropriation became effective, regardless of the date when each project was approved pursuant to subdivision (d) of Section 5096.236.

5096.235. (a) Funds available for appropriation for local assistance grants pursuant to category (3) of subdivision (a) of Section 5096.231 may be expended for the acquisition, development, rehabilitation, or restoration of parks, beaches, open-space lands, recreational trails, or recreational facilities and areas, and for development rights or scenic easements in connection with those acquisitions.

(b) The funds authorized in category (4) of subdivision (a) of Section 5096.231 shall be available as grants on a competitive basis to cities, counties, and districts and shall be encumbered by the recipient within three years of the date when the appropriation became effective, regardless of the date when each project was approved pursuant to subdivision (d) of Section 5096.236. The Director of Parks and Recreation, through the Office of Historic Preservation, shall prepare and the Secretary of the Resources Agency shall adopt criteria and procedures for evaluating those competitive grants. An individual jurisdiction may enter into an agreement with a nonprofit organization for the purpose of carrying out a grant, subject to the requirements of subdivision (c).

(c) Funds granted pursuant to subdivision (a) of Section 5096.231 may be expended for development, rehabilitation, or restoration only on lands owned by, or subject to a lease or other interest held by, the applicant city, county, or district. If those lands are not owned by the applicant, the applicant shall first demonstrate to the satisfaction of the Director of Parks and Recreation that the development, rehabilitation, or restoration will provide benefits commensurate with the type and duration of interest in land held by the applicant.

(d) The funds authorized in category (5) of subdivision (a) of Section 5096.231 shall be available as grants on a competitive basis to

nonprofit organizations that provide park, recreation, or open space services or facilities to the general public. The Director of Parks and Recreation shall prepare, and the Secretary of the Resources Agency shall adopt, criteria and procedures for evaluating those competitive grants.

5096.236. (a) An application for a local assistance grant pursuant to this article shall be submitted to the Director of Parks and Recreation for review. Except for an application for a grant under category (4) or (5) of subdivision (a) of Section 5096.231, the application shall be accompanied by certification from the planning agency of the applicant that the project is consistent with the park and recreation plan for the applicant's jurisdiction and would satisfy a demonstrated need.

(b) The minimum amount that may be applied for any individual project is ten thousand dollars ($10,000).

(c) Every application for a grant shall comply with the provisions of the California Environmental Quality Act (Division 13 (commencing with Section 21000)).

(d) Upon completion of the review of applications submitted pursuant to subdivision (a), approved projects shall be forwarded to the Director of Finance for inclusion in the Budget Bill.

5096.237. (a) No state grant funds authorized under Section 5096.231 may be disbursed until the applicant agrees that any property acquired, developed, rehabilitated, or restored with the funds shall be used by the applicant only for the purpose for which the funds were requested and that no other use, sale, or other disposition of the property shall be permitted except by specific act of the Legislature. If the use of the property is changed to one other than permitted under the category in subdivision (a) of Section 5096.231 from which the funds were appropriated, or the property is sold or otherwise disposed of, an amount equal to the amount of the grant or equal to the fair market value of the real property, or portion thereof, acquired, developed, rehabilitated, or restored with the grant, whichever is greater, shall be used by the city, county, or district for a purpose authorized in that category or shall be reimbursed to the fund for a use authorized in that category.

(b) No state grant funds authorized under Section 5096.231 may be disbursed unless the applicant agrees to maintain and operate the property acquired, developed, rehabilitated, or restored pursuant to this article for a period commensurate with the type of project and the proportion of state grant funds and local funds allocated to the capital costs of the project.

Article 4. State Park System

5096.241. The Legislature recognizes that public financial resources are inadequate to meet all capital outlay needs of the state park system and that the development of recently acquired units of the state park system has proceeded at a rate that has prevented

their full potential for public use from being realized. Accordingly, it is declared to be the policy of the state that funds allocated pursuant to subdivision (b) of Section 5096.231 shall be appropriated primarily for projects that accomplish the following:

(a) Serve metropolitan population centers and accommodate day-use and weekend-overnight visits.

(b) Provide for the development of existing units with the minimum facilities necessary for accessibility, use, and interpretation.

(c) Rehabilitate facilities at existing units that will provide for more efficient management and reduced operational costs.

(d) Minimize dependence on motor vehicles and reduce other forms of energy and water consumption through appropriately designed facilities.

(e) Acquire those lands which will lead to the completion of ongoing projects.

5096.242. (a) Any Member of the Legislature, the State Park and Recreation Commission, the California Coastal Commission, or the Secretary of the Resources Agency may nominate any project to be funded under this article for study by the Department of Parks and Recreation. The State Park and Recreation Commission shall nominate projects after holding at least one public hearing to seek project proposals from individuals, citizen groups, the Department of Parks and Recreation, and other public agencies. Any of the commissions shall make nominations by vote of its membership.

(b) The Department of Parks and Recreation shall study any project so nominated. In addition to the procedures required by Section 5006, the Department of Parks and Recreation shall submit to the Legislature and to the Secretary of the Resources Agency annually a report consisting of a prioritized listing and comparative evaluation of all projects nominated for study, in accordance with the following schedule:

(1) March 1, 1985, for projects nominated prior to January 1, 1985.

(2) November 1, 1985, for projects nominated prior to June 30, 1985, and after January 1, 1985.

(3) November 1, 1986, and each November 1 thereafter for projects nominated during the 12 months ending June 30, 1986, and each June 30 thereafter.

(c) Nominated projects shall be approved by the Secretary of the Resources Agency and forwarded by the secretary to the Director of Finance for inclusion in the Budget Bill.

5096.243. (a) Acquisition for the state park system by purchase or by eminent domain shall be under the Property Acquisition Law (commencing with Section 15850 of the Government Code).

(b) Work efforts for stewardship purposes may include, but are not limited to, such objectives as the control of major erosion and geologic hazards, the restoration and improvement of critical plant and animal habitat, the control and elimination of exotic species encroachment, the stabilization of coastal dunes and bluffs, and the planning necessary to implement those activities. Those efforts may

not include activities which merely supplement normal park system operations or which are usually funded from other sources.

Article 5. State Coastal Conservancy

5096.244. (a) The State Coastal Conservancy shall prepare and adopt priorities, criteria, and procedures for the making of grants to local public agencies or nonprofit organizations pursuant to Section 5096.232.

The procedures shall specify the categories of expenditures for grants, and shall include procedures for the submittal, review, and approval of applications, disbursements, and, where appropriate, repayment of grant funds.

(b) An application for a grant pursuant to this article shall be submitted to the State Coastal Conservancy for evaluation, review of adequacy, and classification as a park, beach, coastal access, or other project necessary to protect coastal resource values.

(c) The minimum amount that may be applied for any individual project is one thousand dollars ($1,000).

(d) Every application for a grant shall comply with the provisions of the California Environmental Quality Act (Division 13 (commencing with Section 21000)).

(e) Funds granted pursuant to Section 5096.232 may be expended for development, rehabilitation, or restoration only on lands owned by, or subject to a lease or other interest held by, the applicant. If those lands are not owned by the applicant, the applicant shall first demonstrate to the satisfaction of the State Coastal Conservancy that the development, rehabilitation, or restoration will provide benefits commensurate with the type and duration of interest in land held by the applicant.

(f) No state grant funds authorized under Section 5096.232 may be disbursed until the applicant agrees that any property acquired or developed with the funds shall be used by the applicant only for the purpose for which the funds were requested and that no other use, sale, or other disposition of the property shall be permitted except by specific act of the Legislature. If the use of the property is changed to one other than permitted under the category in Section 5096.232 from which the funds were appropriated, or the property is sold or otherwise disposed of, an amount equal to the amount of the grant or equal to the fair market value of the real property, or portion thereof, acquired or developed with the grant, whichever is greater, shall be used by the local public agency or the nonprofit organization for a purpose authorized in that category or shall be reimbursed to the State Coastal Conservancy Fund of 1984 for a use authorized in that category.

(g) No state grant funds authorized under Section 5096.232 may be disbursed unless the applicant agrees to maintain and operate the property acquired or developed pursuant to this article for a period commensurate with the type of project and the proportion of state

grant funds and local funds allocated to the capital costs of the project.

(h) The State Coastal Conservancy shall report to the Legislature annually, on or before January 1, on the implementation of urban waterfront projects and local coastal program projects under categories (b) and (c) of Section 5096.232.

Article 6. Miscellaneous Provisions

5096.245. Projects authorized for the purposes set forth in subdivisions (b) and (c) of Section 5096.231 shall be subject to augmentation as provided in Section 16352 of the Government Code, as limited by any provision of the Budget Act. The unexpended balance in any appropriation made payable from the fund which the Director of Finance, with the approval of the State Public Works Board, determines not to be required for expenditure pursuant to the appropriation, may be transferred on order of the Director of Finance to, and in augmentation of, the appropriation made in Section 16352 of the Government Code.

5096.246. The Department of General Services, if the Director of Parks and Recreation finds that the use would be compatible with the ultimate use of the real property as a unit, or part of a unit, of the state park system and with the sound management and conservation of resources within the unit, may make agreements with respect to any real property acquired pursuant to subdivision (b) of Section 5096.231, and the Executive Officer of the State Coastal Conservancy may make agreements with respect to any real property acquired pursuant to Section 5096.232, for the continued tenancy of the seller of the property for a period of time and under such conditions as mutually agreed upon by the state and the seller so long as the seller promises to pay such taxes on his or her interest in the property as shall become due, owing, or unpaid on the interest created by the agreement, and so long as the seller conducts any operations on the land according to specifications issued by the appropriate director or officer to protect the property for the public use for which it was acquired. A copy of the agreement shall be filed with the county clerk in the county in which the property lies. The arrangement shall be compatible with the operation of the area by the state, as determined by the appropriate director or officer.

5096.247. All real property acquired pursuant to this chapter shall be acquired in compliance with the provisions of Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 of the Government Code. The Department of Parks and Recreation shall prescribe procedures sufficient to assure compliance by local public agencies which receive funds under Section 5096.231 and the State Coastal Conservancy shall prescribe procedures sufficient to assure compliance by local public agencies which receive funds under Section 5096.232.

5096.248. For the purposes of this chapter, acquisition may in-

clude gifts, purchases, leases, easements, the exercise of eminent domain if expressly authorized, the transfer or exchange of property for other property of like value, and purchases of development rights and other interests.

5096.249. All grants, gifts, devises, or bequests to the state, conditional or unconditional, for park, conservation, recreation, or other purposes for which real property may be acquired or developed pursuant to this chapter, may be accepted and received on behalf of the state by the appropriate departmental director with the approval of the Director of Finance. The grants, gifts, devises, or bequests shall be available, when appropriated by the Legislature, for expenditure for the purposes specified in Sections 5096.231 and 5096.232.

5096.250. Real property acquired by the state shall consist predominantly of open or natural lands, including lands under water capable of being utilized for multiple recreational purposes, and lands necessary for the preservation of coastal or historical resources. No funds derived from the bonds authorized by this division shall be expended for the construction of any reservoir designated as a part of the "State Water Facilities," as defined in subdivision (d) of Section 12934 of the Water Code.

5096.251. (a) Prior to recommending the acquisition of lands that are located on or near tidelands, submerged lands, swamp or overflowed lands, or other wetlands, whether or not those lands have been granted in trust to a local public agency, the Director of Parks and Recreation or the Executive Officer of the State Coastal Conservancy, as appropriate, shall submit to the State Lands Commission any proposal by a state or local public agency for the acquisition of those lands pursuant to this chapter. The State Lands Commission shall, within three months of submittal, review the proposed acquisition, make a determination as to the state's existing or potential interest in the lands, and report its findings to the person making the submittal and to the Department of General Services.

(b) No provision of this chapter shall be construed as authorizing the condemnation of state lands.

5096.252. The Legislature may appropriate not more than five million dollars ($5,000,000) to the Santa Monica Mountains Conservancy for the purposes set forth in Division 23 (commencing with Section 33000) from the money available in subparagraph (A) of category (2) of subdivision (b) of Section 5096.231.

This section shall not be operative if Senate Bill 512 of the 1983–84 Regular Session of the Legislature is approved by the voters.

Article 7. Fiscal Provisions

5096.255. Bonds in the total amount of three hundred seventy million dollars ($370,000,000), or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Sec-

tion 16724.5 of the Government Code. The bonds shall, when sold, be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest on the bonds as the principal and interest become due and payable.

5096.256. There shall be collected each year and in the same manner and at the same time as other state revenue is collected such a sum in addition to the ordinary revenues of the state as shall be required to pay the principal and interest on the bonds maturing each year, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act which shall be necessary to collect that additional sum.

5096.257. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this chapter, such an amount as will equal the following:

(a) Such sum annually as will be necessary to pay the principal and interest on bonds issued and sold pursuant to the provisions of this chapter, as principal and interest become due and payable.

(b) Such sum as is necessary to carry out the provisions of Section 5096.259, which sum is appropriated without regard to fiscal years.

5096.258. The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the Parklands Fund of 1984 or the State Coastal Conservancy Fund of 1984, which are hereby created. The money in the Parklands Fund of 1984 may be expended only for the purposes specified in this chapter and only pursuant to appropriation by the Legislature in the manner prescribed in this chapter. The money in the State Coastal Conservancy Fund of 1984 may be expended only for the purposes specified in Section 5096.232 and only pursuant to appropriation by the Legislature in the manner prescribed in this chapter.

5096.259. For the purposes of carrying out the provisions of this article, the Director of Finance may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized to be sold for the purpose of carrying out this chapter. Any moneys deposited in the fund for expenditure for the purposes of subdivision (c) of Section 5096 231 shall be appropriated to the Department of Parks and Recreation in the manner provided in Section 5096.260. Any amounts withdrawn shall be deposited in the fund. Any moneys made available under this section shall be returned to the General Fund from moneys received from the sale of bonds for the purpose of carrying out the provisions of this chapter.

5096.260. (a) Except for proposed appropriations under Section 5096.232, proposed appropriations for the program shall be included in a section in the Budget Bill for the 1984–85 fiscal year and each succeeding fiscal year for consideration by the Legislature and shall bear the caption "Parklands Acquisition and Development Program of 1984." The section shall contain separate items for each project,

each class of projects, or each element of the program for which an appropriation is made.

(b) All proposed appropriations for the program under Section 5096.232 shall be included in a section in the Budget Bill for the 1984–85 fiscal year and each succeeding fiscal year for consideration by the Legislature and shall bear the caption "State Coastal Conservancy." The section shall contain separate items for each project, each class of projects, or each element of the program for which an appropriation is made.

(c) All appropriations shall be subject to all limitations enacted in the Budget Act and to all fiscal procedures prescribed by law with respect to the expenditure of state funds unless expressly exempted from those laws by a statute enacted by the Legislature. Those sections shall contain proposed appropriations only for the program elements and classes of projects contemplated by this chapter, and no funds derived from the bonds authorized by this chapter may be expended pursuant to an appropriation not contained in those sections of the Budget Act.

5096.261. The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law are applicable to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full herein.

5096.262. For the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this chapter, the Parklands Program Finance Committee is hereby created. The committee consists of the Governor, the Controller, the Director of Finance, the Treasurer, and the Secretary of the Resources Agency. For the purposes of this chapter, the Parklands Program Finance Committee shall be "the committee" as that term is used in the State General Obligation Bond Law, and the Treasurer shall serve as chairman of the committee. The Secretary of the Resources Agency is hereby designated as "the board" for the purposes of the State General Obligation Bond Law.

5096.263. As used in this chapter, and for the purposes of the State General Obligation Bond Law, "state grant" or "state grant moneys" means moneys received by the state from the sale of bonds authorized by this chapter which are available for grants to counties, cities, districts, local public agencies, and nonprofit organizations.

5096.264. All money deposited in the fund or the State Coastal Conservancy Fund of 1984 which is derived from premium and accrued interest on bonds sold shall be reserved in those depositories and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

5096.265. Commencing with the Budget Bill for the 1993–94 fiscal year, the balances remaining in the fund and the State Coastal Conservancy Fund of 1984 may be appropriated by the Legislature for

expenditure, without regard to the maximum amounts allocated to each element of the program, for any or all elements of the program specified in Sections 5096.231 and 5096.232, or any class or classes of projects within those elements, that the Legislature deems to be of the highest priority.

5096.266. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

5096.267. If any provision of this chapter or the application thereof to any person or circumstances is held invalid, that invalidity shall not affect other provisions or applications of the chapter which can be given effect without the invalid provision or application, and to this end, the provisions of this chapter are severable.

SEC. 2. Section 1 of this act shall take effect upon the adoption by the people of the State of California of the California Park and Recreational Facilities Act of 1984, as set forth in Section 1 of this act.

SEC. 3. Except as otherwise provided in this act, all of the provisions of law relating to the submission of measures and bond acts proposed by the Legislature shall apply to the measure submitted pursuant to this act.

SEC. 4. Notwithstanding Section 3525 of the Elections Code, Section 1 of this act shall be submitted to the voters at the statewide direct primary to be held in June 1984, pursuant to provisions of the Government Code and the Elections Code governing submission of statewide measures to the voters at a statewide election.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for this act to be submitted to the voters at the statewide direct primary election to be held in June 1984 so as to provide financing for urgently needed parks, beaches, recreational areas and facilities, and historical resources preservation, it is necessary that this act take effect immediately.

CHAPTER 6

An act to add Chapter 7 (commencing with Section 2600) to Division 3 of the Fish and Game Code, relating to financing of a fish and wildlife habitat enhancement program by providing the funds necessary therefor through the issuance and sale of bonds of the state, by providing for the handling and disposition of the funds, and by providing for the submission of the measure to a vote of the people, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 1, 1984. Filed with Secretary of State February 1, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 7 (commencing with Section 2600) is added to Division 3 of the Fish and Game Code, to read:

CHAPTER 7. FISH AND WILDLIFE HABITAT ENHANCEMENT ACT OF 1984

Article 1. General Provisions

2600. This chapter shall be known and may be cited as the Fish and Wildlife Habitat Enhancement Act of 1984.

2601. (a) The fundamental requirement for healthy, vigorous populations of fish and wildlife is habitat. Without adequate habitat, efforts to conserve and manage fish and wildlife resources will have limited success.

(b) Assuring adequate habitat, with the resulting increase in the abundance of fish and wildlife, confers substantial benefits on the people of California through the opportunities afforded for the use, enjoyment, and appreciation of fish and wildlife resources, the perpetuation of species of fish and wildlife for their intrinsic and ecological values, and the enhancement of economic activities based on these resources.

(c) Accordingly, the purpose of this chapter is to provide the financial means to correct the most severe deficiencies in fish and wildlife habitat currently found in California through a program of acquisition, enhancement, and development of habitat areas that are most in need of proper conservation and management.

2602. As used in this chapter, the following terms have the following meanings:

(a) "Acquisition" means the acquisition of any interest in real property.

(b) "Coastal zone" means the coastal zone as defined and mapped pursuant to Section 30103 of the Public Resources Code.

(c) "Local public agency" means a city, county, city and county, regional park or open-space district, recreation and park district, resource conservation district, association of governments, or joint powers agency whose jurisdiction is wholly or partially within the coastal zone or in the San Francisco Bay region.

Article 2. Habitat Enhancement Program

2620. All money deposited in the Fish and Wildlife Habitat Enhancement Fund shall be available for appropriation by the Legislature for the following purposes:

(a) Forty million dollars ($40,000,000) for expenditure by the

Wildlife Conservation Board pursuant to the Wildlife Conservation Law of 1947 for the acquisition, enhancement, or development, or any combination thereof, of lands located outside the coastal zone for the preservation of resources and the management of wildlife and fisheries, in accordance with the following schedule:

(1) Thirty million dollars ($30,000,000) for the acquisition, enhancement, or development, or any combination thereof, of lands for habitat for wildfowl and other wildlife benefitted by a marsh or aquatic environment.

(2) Ten million dollars ($10,000,000) for the restoration of waterways for the management of fisheries and the enhancement or development, or both, of habitat for other wildlife.

(b) Five million dollars ($5,000,000) for expenditure by the Wildlife Conservation Board pursuant to the Wildlife Conservation Law of 1947 for the acquisition, enhancement, or development, or any combination thereof, of lands for habitat for rare, endangered, and fully protected species.

(c) Thirty million dollars ($30,000,000) for expenditure by the State Coastal Conservancy for the acquisition, enhancement, or development, or any combination thereof, of marshlands and associated and adjacent lands and the development of associated facilities and for grants to local public agencies for those purposes, in accordance with the following schedule:

(1) Twenty million dollars ($20,000,000) for grants by the conservancy to local public agencies in the coastal zone and in the San Francisco Bay region for the acquisition, enhancement, or development, or any combination thereof, of marshlands and adjacent lands for habitat for wildlife benefitted by a marsh or aquatic environment and the improvement of drainage into wetlands to control or retard erosion and sedimentation, and biologically and hydrologically associated upland habitat areas. Of the amount made available pursuant to this paragraph, not less than five million dollars ($5,000,000) shall be available for grants for projects in the San Francisco Bay region.

(2) Ten million dollars ($10,000,000) for expenditure by the conservancy for the purposes authorized in this subdivision.

(d) Ten million dollars ($10,000,000) for expenditure by the Wildlife Conservation Board pursuant to the Wildlife Conservation Law of 1947 for the acquisition, enhancement, or development, or any combination thereof, inside the coastal zone of marshlands and adjacent lands for habitat for wildlife benefitted by a marsh or aquatic environment.

2621. An annual amount, not to exceed one hundred thousand dollars ($100,000), may be appropriated from the funds available pursuant to subdivisions (a) and (d) of Section 2620 in the 1984–85 through 1989–90 fiscal years, in a particular amount to be determined in each annual appropriation, to the Wildlife Conservation Board for expenditure for costs incurred by the board in administering this chapter, as provided in this section. The board shall augment, as

needed, any amount appropriated pursuant to this section with an appropriation from any other funds available to it. This chapter is not intended, nor shall it be construed, to authorize the Wildlife Conservation Board or the department to establish any additional personnel positions.

2622. An annual amount, not to exceed two hundred fifty thousand dollars ($250,000), may be appropriated from the funds available pursuant to subdivision (c) of Section 2620 in the 1984–85 through 1989–90 fiscal years, in a particular amount to be determined in each annual appropriation, to the State Coastal Conservancy for expenditure for costs incurred by the conservancy in administering this chapter.

2623. (a) None of the funds appropriated pursuant to this chapter may be encumbered for any purpose described in Section 1353.

(b) Notwithstanding Sections 31105 and 31106 of the Public Resources Code, the State Coastal Conservancy and the State Public Works Board may not make any acquisition pursuant to the power of eminent domain with any funds appropriated pursuant to this chapter.

2624. Funds available pursuant to subdivision (b) of Section 2620 may be encumbered only for lands constituting habitat that is subject to destruction, drastic modification, or severe curtailment of habitat values.

2625. No acquisition shall be undertaken with funds appropriated pursuant to Section 2620 and no grant of funds appropriated pursuant to subdivision (c) of Section 2620 shall be encumbered until all practical alternatives to direct purchase of the full fee title have been considered. The Wildlife Conservation Board and the State Coastal Conservancy shall establish a procedure to assure consideration of alternatives to direct purchase. These alternatives shall include, but not be limited to, the following:

(a) Opportunities for obtaining the land through exchanges of other publicly held lands.

(b) Tax considerations that may pertain to the contemplated transaction.

(c) Utilization of transfers of densities and density bonuses and other available land use controls.

(d) Purchase of less than full fee title.

2626. (a) All restoration projects which involve the expenditure of funds available pursuant to subdivision (c) of Section 2620 shall be reviewed in accordance with Section 31208, 31208.5, 31258, or 31258.5 of the Public Resources Code, as applicable.

(b) Funds available pursuant to subdivision (d) of Section 2620 shall be encumbered in accordance with priorities of the California Coastal Commission.

(c) Of the total amount available pursuant to subdivision (d) of Section 2620, not more than four million dollars ($4,000,000) may be encumbered for any single acquisition project.

2627. (a) Funds granted pursuant to subdivision (c) of Section 2620 for any purpose, other than acquisition, shall not be encumbered by the recipient until the conservancy has entered into an agreement sufficient to protect the public interest in any improvements constructed pursuant to this chapter with the entity that exercises legal control of the real property on which the improvement is constructed.

(b) The conservancy shall not disburse any grant until the applicant, or any other appropriate managing or operating entity, has entered into an agreement with the conservancy or its designee, or both, sufficient to assure that the property acquired, enhanced, or developed, and any improvements thereon, shall be managed and operated for the purpose for which the grant was requested. No use of the property that is incompatible with that purpose shall ever be permitted.

(c) The minimum amount for which an application for an individual project may be made is fifteen thousand dollars ($15,000).

(d) Every application for a grant shall comply with the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(e) Notwithstanding Sections 31207 and 31257 of the Public Resources Code, funds granted pursuant to subdivision (c) of Section 2620 may be encumbered only for the acquisition, enhancement, or development, or any combination thereof, and the costs incurred by the recipient in planning, preparation of construction documents, fiscal management and accounting, and supervision of construction in connection with the project for which the grant was made. All expenditures made by a recipient of a grant shall be subject to being audited.

(f) Funds granted pursuant to subdivision (c) of Section 2620 shall be available for encumbrance by the recipient for a period of three years after the date when the grant became effective.

Article 3. Fiscal Provisions

2640. Bonds in the total amount of eighty-five million dollars ($85,000,000), or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds shall, when sold, be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest on the bonds as the principal and interest become due and payable.

2641. There shall be collected each year and in the same manner and at the same time as other state revenue is collected such a sum in addition to the ordinary revenues of the state as shall be required to pay the principal and interest on the bonds maturing each year,

and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act which shall be necessary to collect that additional sum.

2642. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this chapter, such an amount as will equal the following:

(a) Such sum annually as will be necessary to pay the principal and interest on bonds issued and sold pursuant to the provisions of this chapter, as principal and interest become due and payable.

(b) Such sum as is necessary to carry out the provisions of Section 2644, which sum is appropriated without regard to fiscal years.

2643. The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the Fish and Wildlife Habitat Enhancement Fund, which is hereby created. The money in the fund may be expended only for the purposes specified in this chapter and only pursuant to appropriation by the Legislature in the manner prescribed in this chapter.

2644. For the purposes of carrying out the provisions of this article, the Director of Finance may, pursuant to appropriate authority in each annual Budget Act, authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund. Any moneys made available under this section shall be returned to the General Fund from moneys received from the sale of bonds for the purpose of carrying out the provisions of this chapter. The withdrawals from the General Fund shall be returned to the General Fund with interest at the rate which would otherwise have been earned by those sums in the Pooled Money Investment Fund.

2645. All proposed appropriations for the program shall be included in a section in the Budget Bill for the 1984–85 fiscal year and each succeeding fiscal year for consideration by the Legislature and shall bear the caption "Fish and Wildlife Habitat Enhancement Program." The section shall contain separate items for each project, each class of projects, or each element of the program for which an appropriation is made.

All appropriations shall be subject to all limitations enacted in the Budget Act and to all fiscal procedures prescribed by law with respect to the expenditure of state funds unless expressly exempted from such laws by a statute enacted by the Legislature. The section in the Budget Act shall contain proposed appropriations only for the program elements and classes of projects contemplated by this chapter, and no funds derived from the bonds authorized by this chapter may be expended pursuant to an appropriation not contained in that section of the Budget Act.

Not later than October 1, 1985, and not later than October 1 of each year thereafter, the State Coastal Conservancy shall submit to the

chairman and vice chairman of the Joint Legislative Budget Committee and the fiscal committees of the Legislature a report on all projects proposed to be undertaken pursuant to appropriations made for the fiscal year commencing the following July 1. The conservancy shall, as needed, make subsequent reports reflecting any significant changes from the information submitted in the October 1 report. The conservancy shall wait 30 days before encumbering funds for any project included in any subsequent report.

2646. The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3, Division 4, Title 2 of the Government Code), and all of the provisions of that law are applicable to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full herein.

2647. Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 1 of Division 4 of Title 2 of the Government Code), of the bonds authorized by this chapter, the Wildlife Habitat Enhancement Program Finance Committee is hereby created. The committee consists of the Controller, the Director of Finance, and the Treasurer. For purposes of this chapter, this committee is "the committee" as that term is used in the State General Obligation Bond Law, and the Treasurer shall serve as chairman of the committee.

2648. All money deposited in the fund which is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

2649. Commencing with the Budget Bill for the 1995-96 fiscal year, the balance remaining in the fund may be appropriated by the Legislature for expenditure, without regard to the maximum amounts allocated to each element of the program, for any or all elements of the program specified in Section 2620, or any class or classes of projects within those elements that the Legislature deems to be of the highest priority.

2650. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

2651. If any provision of this chapter or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the chapter which can be given effect without the invalid provision or application, and to this end, the provisions of this chapter are severable.

SEC. 2. (a) Except as otherwise provided in this act, all provisions of law relating to the submission of measures and bond

acts proposed by the Legislature shall apply to the measure submitted pursuant to this act.

(b) Section 1 of this act shall be submitted to the voters at the June 5, 1984, Direct Primary Election pursuant to provisions of the Elections Code governing submission of statewide measures to the voters at a statewide election.

SEC. 3. Section 1 of this act shall become operative July 1, 1984, if the people, at the June 5, 1984, Direct Primary Election, adopt the Fish and Wildlife Habitat Enhancement Act of 1984, as set forth in Section 1 of this act.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for the provisions of this act to take effect in time to include it in the June 5, 1984, Direct Primary Election and to consider its implementation in the 1984–85 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 7

An act to amend Sections 60008, 60135, 60136, 60140, 71450, 71502, and 71503 of, and to repeal Sections 60137 and 71504 of, the Water Code, relating to water districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 8, 1984. Filed with Secretary of State February 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 60008 of the Water Code is amended to read:

60008. "General water replenishment district election" means the election required to be held in each district at the time of the general election in each even-numbered year.

SEC. 1.5. Section 60135 of the Water Code is amended to read:

60135. In the case of all districts (except as to the election of the first board) the elections of directors shall be held at the time of the general election and shall be consolidated therewith.

SEC. 2. Section 60136 of the Water Code is amended to read:

60136. Each candidate for director who at the election of directors receives votes on a plurality of all the ballots cast for candidates for the office for which he or she seeks election shall be elected to that office.

SEC. 3. Section 60137 of the Water Code is repealed.

SEC. 4. Section 60140 of the Water Code is amended to read:

60140. The election of directors held at the time of the general

election and consolidated therewith shall be known as the general water replenishment district election, and each other election which may be held by authority of this division or the Elections Code or other law applicable thereto shall be known as a special water replenishment district election.

SEC. 5. Section 71450 of the Water Code is amended to read:

71450. As used in this part:

(a) "District election" means every election held within the district for district purposes, but does not include a formation election.

(b) "General district election" means the district election for the election of directors which shall be held in each even-numbered year at the time of the general election and consolidated therewith.

(c) "Special district election" means any district election other than the general district election.

SEC. 6. Section 71502 of the Water Code is amended to read:

71502. Except as to the election of the first directors, directors shall be elected at the general district election.

SEC. 7. Section 71503 of the Water Code is amended to read:

71503. Each candidate for director who at the general district election receives the highest number of votes cast for the candidate for that office is elected as a director of the district.

SEC. 8. Section 71504 of the Water Code is repealed.

SEC. 9. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for this act to be operative for the next general district elections conducted in municipal water districts and water replenishment districts, it is necessary that this act take effect immediately.

CHAPTER 8

An act to amend Sections 20751, 20753, 20761, and 20764 of, to add Section 20751.1 to and to repeal Article 4.7 (commencing with Section 20189) of Chapter 1 of Part 3 of Division 2 of, the Public Contract Code, relating to local government, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 8, 1984. Filed with Secretary of State February 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Article 4.7 (commencing with Section 20189) of Chapter 1 of Part 3 of Division 2 of the Public Contract Code is repealed.

SEC. 2. Section 20751 of the Public Contract Code is amended to read:

20751. Contracts for the doing of new construction work or the purchasing of supplies, the cost of which exceeds twenty-five thousand dollars ($25,000), or projects involving maintenance of buildings and improvements, the cost of which exceeds ten thousand dollars ($10,000), shall be let by the board upon competitive bidding.

Notice of the proposed letting of contract shall be given by publication pursuant to Section 6061 of the Government Code in the county in which the district is located, at least five days before the time fixed for opening bids. Bidding shall be by sealed proposals filed with the district, upon forms furnished by it, and under such rules and regulations as the board may prescribe. All bids shall be publicly opened and declared under procedures established by the board, and the award of the contract shall be made in open session of the board to the lowest and best responsible bidder.

SEC. 3. Section 20751.1 is added to the Public Contract Code, to read:

20751.1. In case of any great public calamity, including, but not limited to, an extraordinary fire, flood, storm, shoaling, epidemic, or other disaster, the board may, by resolution passed by a four-fifths vote of all of its members, declare and determine that public interest and necessity demand the immediate expenditure of public money to safeguard life, health, or property, and thereupon proceed to expend any sum or enter into a contract involving the expenditure of any sum needed in the emergency without observance of the provisions requiring contracts, bids, or notice.

SEC. 4. Section 20753 of the Public Contract Code is amended to read:

20753. The board may delegate to its officers the execution of contracts in which the amount involved is less than twenty-five thousand dollars ($25,000).

SEC. 5. Section 20761 of the Public Contract Code is amended to read:

20761. Contracts for the doing of new construction work or the purchasing of supplies, the cost of which exceeds twenty-five thousand dollars ($25,000), or projects involving maintenance of buildings and improvements, the cost of which exceeds ten thousand dollars ($10,000), shall be let by the board upon competitive bidding.

Notice of the proposed letting of a contract shall be given by publication pursuant to Section 6061 of the Government Code in the county in which the district is located, at least five days before the time fixed for opening bids. Bidding shall be by sealed proposals filed with the district upon forms furnished by it, and under such rules and regulations as the board may prescribe. All bids shall be publicly opened and declared under procedures established by the board, and the award of the contracts shall be made in open session of the board to the lowest and best responsible bidder. The board may reject any and all bids and readvertise in its discretion.

SEC. 6. Section 20764 of the Public Contract Code is amended to read:

20764. The board may delegate to its officers the execution of contracts, in which the amount involved is less than twenty-five thousand dollars ($25,000).

SEC. 7. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

To eliminate the unintended inconsistencies between Chapters 256 and 510 of the Statutes of 1983 and to give port districts clear authority to cope with unexpected emergencies at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 9

An act to amend Sections 68073.1 and 68073.4 of the Government Code, and to add Section 42008 to the Vehicle Code, relating to courts.

[Approved by Governor February 9, 1984. Filed with Secretary of State February 9, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 68073.1 of the Government Code is amended to read:

68073.1. (a) All courtroom construction in the County of Los Angeles which utilizes moneys from the Courthouse Temporary Construction Fund or moneys borrowed against the Courthouse Temporary Construction Fund shall be within the boundaries of the San Fernando Valley Statistical Area and the Los Cerritos Municipal Court District, until the time that the County of Los Angeles has spent a total of at least forty-three million dollars ($43,000,000) on courthouse construction within the San Fernando Valley Statistical Area and at least eight million dollars ($8,000,000) within the Los Cerritos Municipal Court District for the Bellflower courthouse.

(b) All courtroom construction in the County of Los Angeles which utilizes moneys from the Courthouse Temporary Construction Fund or moneys borrowed against the Courthouse Temporary Construction Fund shall be within the boundaries of the San Fernando Valley Statistical Area, within the boundaries of the East Los Angeles Municipal Court District, within the boundaries of the Los Cerritos Municipal Court District, within the Downey Municipal Court District, or within the community of Hollywood, until the time that the County of Los Angeles has fulfilled the requirements of subdivision (a) and has additionally spent at least sixteen million five hundred thousand dollars ($16,500,000) on

courthouse construction within the East Los Angeles Municipal Court District,. has spent at least ten million dollars ($10,000,000) on courthouse construction within the Downey Municipal Court District, has commenced construction on a civil courthouse with at least six courtrooms in the community of Reseda, and has commenced construction on a courthouse with at least two courtrooms in the community of Hollywood.

The Reseda courthouse is to be constructed as a civil court facility to increase the efficiency of the courts and save money by avoiding the necessity for constructing additional criminal holding facilities that would duplicate existing facilities in the San Fernando Valley which are already equipped for criminal trials.

(c) For purposes of this section, the San Fernando Valley Statistical Area includes all land within the San Fernando Valley Statistical Area (as defined in subdivision (c) of Section 11093) as well as the City of San Fernando, the City of Hidden Hills, and the unincorporated areas of Los Angeles County located west of the City of Los Angeles, east and south of the Ventura County line, and north of a line extended westerly from the southern boundary of the San Fernando Valley Statistical Area (as defined in subdivision (c) of Section 11093).

(d) Notwithstanding any other provision of law, to assist the County of Los Angeles in the funding of courtroom construction, the Board of Supervisors of Los Angeles County shall establish in the county treasury a Courthouse Temporary Construction Fund. Deposits shall be made to the fund, as follows:

(1) The county treasurer shall place in the fund one dollar ($1) for each parking case presented to or filed in the courts of the county. The moneys shall be taken from fines and forfeitures deposited with the treasurer prior to any division pursuant to Section 1463 of the Penal Code.

(2) Each city, district, or other issuing agency which elects to receive, deposit, accept forfeitures, and otherwise process the posting of bail for parking violations pursuant to subdivision (3) of Section 1463 of the Penal Code, shall pay one dollar and fifty cents ($1.50) for each bail deposit collected on each violation which is not filed in court to the county treasurer. The payments to the county treasurer shall be made monthly, and the treasurer shall deposit all those payments in the fund.

(3) The county treasurer shall place all additional assessment amounts collected on nonparking offenses pursuant to subdivision (b) of Section 1206.8 of the Penal Code in the fund.

(e) The fund moneys shall be held by the treasurer separate from any funds subject to transfer or division pursuant to Section 1463 of the Penal Code. The moneys of the Courthouse Temporary Construction Fund shall be payable only for courtroom construction as authorized in subdivision (a) and, after the requirement of subdivision (a) has been met, shall be payable only for courtroom construction as authorized in subdivision (b). However, on or after

June 1 in any fiscal year and until June 1, 1986, the County of Los Angeles may make temporary transfers of fund moneys to its general fund to assist the county in balancing its general fund. Any such transfer shall be treated as an advance and shall be repaid to the Courthouse Temporary Construction Fund within 180 days of the transfer.

(f) Deposits to the fund in accordance with subdivision (d) shall continue through and including either (1) the 20th year after the initial calendar year in which the surcharge is collected or (2) whatever period of time is necessary to repay any borrowings made by the county to pay for construction provided for in this section, whichever time is longer.

SEC. 2. Section 68073.4 of the Government Code is amended to read:

68073.4. (a) Notwithstanding any other provision of law, to assist a county in the funding of county criminal justice facilities construction and the improvement of criminal justice automated information systems, the board of supervisors, operative upon the adoption of a resolution stating that the provisions of this section and Section 1206.8 of the Penal Code are necessary to the establishment of adequate county criminal justice facilities in the county, may establish in the county treasury a County Criminal Justice Facility Temporary Construction Fund. Deposits shall be made to the fund, as follows:

(1) The county treasurer shall place in the fund one dollar ($1) for each parking case presented to or filed in the courts of the county. These moneys shall be taken from fines and forfeitures deposited with the treasurer prior to any division pursuant to Section 1463 of the Penal Code.

(2) Each city, district, or other issuing agency which elects to receive, deposit, accept forfeitures, and otherwise process the posting of bail for parking violations pursuant to subdivision (3) of Section 1463 of the Penal Code, shall pay one dollar and fifty cents ($1.50) for each bail deposit collected on each bail violation which is not filed in court to the county treasurer. These payments to the county treasurer shall be made monthly, and the treasurer shall deposit all those payments in the fund.

(3) The county treasurer shall place all additional assessment amounts collected on nonparking offenses pursuant to subdivision (b) of Section 1206.8 of the Penal Code in the fund.

(b) The fund moneys shall be held by the treasurer separate from any funds subject to transfer or division pursuant to Section 1463 of the Penal Code. The moneys in the County Criminal Justice Facility Temporary Construction Fund shall be payable only for construction, reconstruction, expansion, improvement, operation, or maintenance of county criminal justice and court facilities, and for improvement of criminal justice automated information systems. The money in the fund may be used through any public agency funding mechanism, including, but not limited to, retirement of

bonded indebtedness, loan repayments, and monthly payments involving lease-purchase programs, which reduce an obligation incurred in reliance upon the authority granted by this section.

(c) However, in order to assist in balancing the county general fund for any fiscal year, until June 1, 1986, the county may make temporary transfers on or after June 1 of that fiscal year from the County Criminal Justice Facility Temporary Construction Fund to the county's general fund. All these transfers shall be treated as advances and shall be repaid to the County Criminal Justice Facility Temporary Construction Fund within 180 days.

(d) For purposes of this section, "county criminal justice facilities" includes, but is not limited to, jails, women's centers, detention facilities, juvenile halls, and courtrooms. Any new jail, or any addition to an existing jail that provides new cells or beds, which is constructed with moneys from the County Criminal Justice Facility Temporary Construction Fund shall comply with the "Minimum Standards for Local Detention Facilities" promulgated by the Board of Corrections.

(e) Deposits to the fund in accordance with paragraphs (1), (2), and (3) of subdivision (a) shall continue through and including the 20th year after the initial calendar year in which the surcharge is collected, or longer if and as necessary to make payments upon any lease or leaseback arrangement utilized to finance any of the projects specified in subdivision (a) or (b).

SEC. 3. Section 42008 is added to the Vehicle Code, to read:

42008. In addition to the fees authorized or required by other provisions of law, and upon order of the court in a county in which a fund is established pursuant to Section 68073.1, 68073.2, or 68073.4 of the Government Code, the clerk of the court shall collect one dollar ($1) for each fund so established for the county from every person ordered, in lieu of a fine, to attend a school pursuant to Section 42005 of this code or any court-supervised program of driving instruction.

The amounts collected shall be deposited with the county treasurer and placed in the fund established pursuant to Section 68073.1, 68073.2, or 68073.4 of the Government Code.

CHAPTER 10

An act to add Chapter 10 (commencing with Section 5840) to Division 5 of the Public Resources Code, relating to the American River.

[Approved by Governor February 15, 1984 Filed with Secretary of State February 16, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 10 (commencing with Section 5840) is added to Division 5 of the Public Resources Code, to read:

CHAPTER 10. URBAN AMERICAN RIVER PARKWAY PRESERVATION

5840. This chapter shall be known and may be cited as the Urban American River Parkway Preservation Act.

5841. (a) "American River Parkway Plan" means the management plans adopted by the County of Sacramento on March 9, 1976, by Resolution No. PO-76-22, and the City of Sacramento on September 25, 1975, by Resolution No. 75-477 and Ordinance No. 3581-4th Series, for the lower American River.

(b) "Lower American River" means that portion of the American River between Nimbus Dam and the confluence of the American River with the Sacramento River and the adjacent lands as described in the American River Parkway Plan.

(c) "American River Parkway" means the area described in the American River Parkway Plan.

5841.5. (a) The American River Parkway and its environs contribute to the quality of life within the City of Sacramento and the County of Sacramento, enhance the image of the city and the county as desirable places to live, provide for the public safety and welfare of the community, and thereby contribute to the economic well-being of the community.

(b) The lower American River serves as a floodway channel, protecting the community from runoff, rainfall, and snowmelt.

(c) The lower American River sustains a myriad of fish populations, including steelhead, king salmon, striped bass, shad, and other fish and wildlife populations, which in turn annually support millions of recreation user-days and commercial, scientific, and educational uses and benefits.

(d) The recreation capacity of the American River Parkway is immense, including such diverse activities as hiking, bicycling, picnicking, birding, horseback riding, canoeing, kayaking, rafting, sailing, and power cruising.

(e) It is essential that the function of the lower American River and its environs, as a regional open-space resource within the center of the City of Sacramento and County of Sacramento, be supported and maintained.

(f) Actions undertaken by a state agency can drastically affect the American River Parkway and negate planning steps taken by appropriate local agencies.

(g) Adoption of the American River Parkway Plan by the State of California provides necessary recognition so that local planning efforts are eligible to receive planning grants through the Land and Water Conservation Fund, technical staff assistance through the

National Park Service, and financial assistance through the Soil Conservation Service's Cooperative River Basin Planning Program.

5842. (a) The Legislature hereby adopts the American River Parkway Plan so as to provide coordination with local agencies in the protection and management of the diverse and valuable natural land, water, native wildlife, and vegetation of the American River Parkway.

(b) Actions of state and local agencies with regard to land use decisions shall be consistent with the American River Parkway Plan, subject to the following provisions:

(1) This chapter shall not be construed to impair the authority and responsibilities of state or local public agencies in maintaining and operating the flood channel, levees, and pump stations, except that these operations, as nearly as practicable, shall be consistent with the American River Parkway Plan.

(2) This chapter shall not be construed to affect the existing authority of the City of Sacramento to conduct or settle litigation involving the validity or application of the American River Parkway Plan.

(3) This chapter shall not be construed to prohibit the reasonable expansion of the water treatment facility or sanitary landfill site operated by the City of Sacramento.

(4) This chapter shall not be construed to impair the authority and responsibilities of state agencies in managing the California Exposition flood plain or Bushy Lake area pursuant to Chapter 9 (commencing with Section 5830).

(5) This chapter shall not be construed to affect the exercise of existing water rights.

5843. It is the intent of the Legislature that the duties and responsibilities provided for in this chapter be accomplished by utilizing existing staff resources and that no additional funding be provided other than that which is appropriated by the Legislature in the annual Budget Act.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act.

CHAPTER 11

An act to add Section 2.6 to Chapter 1333 of the Statutes of 1968, relating to harbors and ports.

[Approved by Governor February 19, 1984. Filed with Secretary of State February 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 2.6 is added to Chapter 1333 of the Statutes of 1968, to read:

Sec. 2.6. The Director of Transportation shall, in consultation with the Director of Finance, negotiate with the Port Commission of the City and County of San Francisco for the transfer, subject to the conditions and reservations contained in this act, to the City and County of San Francisco, in trust for the purposes of this act, of that property within the City and County of San Francisco under the jurisdiction or control of the state within the following described boundaries:

Beginning at the point of intersection of the southwesterly line of Second Street with the northwesterly line of Berry Street, and thence running northwesterly along that line of Second Street 275.00 feet to the southeasterly line of King Street; thence at a right angle southwesterly along that line of King Street 825.00 feet to the northeasterly line of Third Street; thence at a right angle southeasterly along that line of Third Street 275.00 feet to the northwesterly line of Berry Street; thence at a right angle northeasterly along the line of Berry Street 825 feet, more or less, to the southwesterly line of Second Street and the point of beginning; being a portion of 100 vera block 361; being also lots 3, 3B, 3C, 12, 13, 16, 17, 19, and 20 in Assessor's Block 3794; and containing 226,875 square feet more or less.

CHAPTER 12

An act to amend Sections 21012 and 21661 of the Public Utilities Code, relating to aircraft, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 22, 1984. Filed with Secretary of State February 22, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 21012 of the Public Utilities Code is amended to read:

21012. "Aircraft" means any manned contrivance used or designed for navigation of, or flight in, the air requiring certification and registration as prescribed by federal statute or regulation. Notwithstanding the foregoing provisions of this section, manned lighter-than-air balloons and ultralight vehicles as defined in the regulations of the Federal Aviation Administration (14 C.F.R. Part 103), whether or not certificated by the Federal Aviation

Administration, shall not be considered to be aircraft for purposes of this part.

SEC. 2. Section 21661 of the Public Utilities Code is amended to read:

21661. (a) This article does not apply to any temporary helicopter landing site, temporary seaplane landing site, ultralight vehicle flightpark, or to airports owned or operated by the United States. To the extent necessary, the department may exempt any other class of airports, pursuant to a reasonable classification or grouping, from any rule or requirement thereof, adopted pursuant to this article, if it finds that its application would be an undue burden on the class and is not required in the interest of public safety.

(b) Notwithstanding subdivision (a), the department shall impose and collect a fee for granting approval of temporary helicopter landing sites located within 1,000 feet of any school in accordance with Section 21662.5 in an amount sufficient to cover the actual costs of conducting the inspections and public review required by law.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to facilitate and enhance public safety in airports and flight operations involving ultralight vehicles or ultralight vehicles and conventional aircraft as quickly as possible, it is necessary that this act take effect immediately.

CHAPTER 13

An act to amend Sections 27021, 27031, 27031.5, 27032, 27036, 27210, 27211, and 27302 of, and to repeal Section 27023.5 of, the Elections Code, relating to elections.

[Approved by Governor February 22, 1984 Filed with Secretary of State February 22, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 27021 of the Elections Code is amended to read:

27021. The notice of intention shall be served personally, or by certified mail, on the officer sought to be recalled. Within seven days of serving the notice of intention, a copy thereof shall be filed, along with an affidavit of the time and manner of service, with the clerk or, in the case of the recall of a state officer, the Secretary of State. A separate notice of intention shall be filed for each officer sought to be recalled.

SEC. 2. Section 27023.5 of the Elections Code is repealed.

SEC. 3. Section 27031 of the Elections Code is amended to read:

27031. Before any signature may be affixed to a recall petition, each page of each section must bear all of the following in no less than 6-point type:

(a) A request that an election be called to elect a successor to the officer; or, in the case of a city recall, a request that an election be called to determine whether the officer shall be removed from office and whether the vacancy, if any, shall be filled by appointment or special election.

(b) A copy of the notice of intention, including the statement of grounds for recall.

(c) The answer of the officer sought to be recalled, if any. If the officer sought to be recalled has not answered, the petition shall so state.

All petition sections shall be printed in uniform size and darkness with uniform spacing.

SEC. 4. Section 27031.5 of the Elections Code is amended to read:

27031.5. Within 10 days after filing of the answer to the notice of intention, or, if no answer is filed, within 10 days after the expiration of the seven-day period specified in Section 27023, the proponents shall file two blank copies of the petition with the clerk or, in the case of a recall of a state officer, with the Secretary of State, who shall ascertain if the proposed form and wording of the petition meets the requirements of this chapter. At the time of filing the two blank copies of the petition, the proponents shall also file proof of publication of the notice of intention, if the notice of intention was published, or an affidavit of posting of the notice of intention, if the notice of intention was posted. The clerk or, in the case of a recall of a state officer, the Secretary of State, shall, within 10 days of receiving the blank copies of the petition, notify the proponents in writing of his or her finding. If the clerk finds that the requirements of this chapter are not met, the clerk shall include in his or her findings a statement as to what alterations in the petition are necessary. The proponents shall, within 10 days after receiving the notification, file two blank copies of the corrected petition with the clerk. The 10-day correction notification period and the 10-day filing period for corrected petitions shall be repeated until the clerk or the Secretary of State finds no alterations are required.

No signature may be affixed to a recall petition until the clerk or, in the case of the recall of a state officer, the Secretary of State, has notified the proponents that the form and wording of the proposed petition meet the requirements of this chapter.

SEC. 5. Section 27032 of the Elections Code is amended to read:

27032. The petition sections shall be designed so that each signer shall personally affix his or her:

(a) Signature.

(b) Printed name.

(c) Residence address, giving street and number, or if no street or number exists, adequate designation of residence so that the location may be readily ascertained.

(d) Name of incorporated city or unincorporated community.

A space, at least one inch wide, shall be left blank after each name for the use of the clerk in verifying the petition.

SEC. 6. Section 27036 of the Elections Code is amended to read:

27036. Each section of the petition shall have attached to it a declaration signed by the circulator of that section of the petition, setting forth all of the following:

(a) The printed name of the circulator.

(b) The residence address of the circulator, giving street and number, or if no street or number exists, adequate designation of residence so that the location may be readily ascertained.

(c) That the circulator circulated that section and saw the appended signatures being written.

(d) That according to the best information and belief of the circulator, each signature is the genuine signature of the person whose name it purports to be.

(e) That the circulator is a registered voter of the electoral jurisdiction of the officer sought to be recalled.

(f) The dates between which all the signatures to the petition were obtained.

(g) The circulator shall certify to the content of the declaration as to its truth and correctness, under penalty of perjury, with the signature of his or her name at length, including given name, middle name or initial, or initial and middle name. The circulator shall state the date and the place of execution on the declaration immediately following the circulator's signature.

SEC. 7. Section 27210 of the Elections Code is amended to read:

27210. A recall petition shall be submitted to the clerk for filing within the following number of days after the clerk or, in the case of a recall of a state officer, the Secretary of State, notifies the proponents that the form and wording of the petition meets the requirements of Article 3 (commencing with Section 27030) of Chapter 1 of this division:

(a) Forty days if the electoral jurisdiction has less than 1,000 registered voters.

(b) Sixty days if the electoral jurisdiction has less than 5,000 registered voters but at least 1,000.

(c) Ninety days if the electoral jurisdiction has less than 10,000 registered voters but at least 5,000.

(d) One hundred twenty days if the electoral jurisdiction has less than 50,000 registered voters but at least 10,000.

(e) One hundred sixty days if the electoral jurisdiction has 50,000 registered voters or more.

The number of registered voters shall be that which was reported at the last report of registration by the county clerk to the Secretary of State pursuant to Section 610 or 6460 and prior to a finding of the clerk or Secretary of State that no alterations are required in the form of the recall petition pursuant to Section 27031.5.

SEC. 8. Section 27211 of the Elections Code is amended to read:

27211. The number of qualified signatures required in order to qualify a recall for the ballot shall be as follows:

(a) In the case of an officer of a city, county, school district, community college district, county board of education, or resident voting district, the number of signatures shall be equal in number to not less than the following percent of the registered voters in the electoral jurisdiction:

(1) Thirty percent if the registration is less than 1,000.

(2) Twenty-five percent if the registration is less than 10,000 but at least 1,000.

(3) Twenty percent if the registration is less than 50,000 but at least 10,000.

(4) Fifteen percent if the registration is less than 100,000 but at least 50,000.

(5) Ten percent if the registration is 100,000 or above.

The number of registered voters shall be calculated as of the time of the last report of registration by the county clerk to the Secretary of State pursuant to Section 610 or 6460, and prior to the finding by the clerk or Secretary of State that no alterations are required in the form of the recall petition pursuant to Section 27031.5.

(b) In the case of a state officer, including judges of courts of appeal and trial courts, the number of signatures shall be as provided for in Section 14(b) of Article II of the Constitution. In the case of a judge of a superior, municipal, or justice court, which office has never appeared on the ballot since its creation, or did not appear on the ballot at its last election pursuant to Section 25304, the number of signatures shall be as provided in Section 14(b) of Article II of the Constitution except that the percent shall be based on the number of votes cast within the judicial jurisdiction for the countywide office which had the least number of votes in the most recent general election in the county in which the judge holds his or her office.

(c) In the case of a landowner voting district, signatures of voters owning at least 10 percent of the assessed value of land within the electoral jurisdiction of the officer sought to be recalled.

SEC. 9. Section 27302 of the Elections Code is amended to read:

27302. If a petition is found by the clerk or, in the case of the recall of a state officer, the Secretary of State, to lack sufficient signatures, notwithstanding Section 6253.5 of the Government Code, the proponents whose names are listed on the notice of intention shall be allowed to examine the petition in order to determine which signatures were disqualified and the reasons therefor.

CHAPTER 14

An act to amend Sections 17160, 17165, and 17171 of, and to add Section 17160.5 to, the Elections Code, relating to elections.

[Approved by Governor February 22, 1984. Filed with Secretary of State February 22, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 17160 of the Elections Code is amended to read:

17160. Following completion of the official canvass, any voter may, within five days thereafter, file with the clerk responsible for conducting an election in the county wherein the recount is sought a written request for a recount of the votes cast for candidates for any office, for slates of presidential electors, or for or against any measure, provided the office, slate, or measure is not voted on statewide. The request shall specify on behalf of which candidate, slate of electors, or position on a measure (affirmative or negative) it is filed.

If an election is conducted in more than one county, the request for the recount may be filed with the clerk of, and the recount conducted within, any or all of the affected counties.

For the purposes of this section "completion of the canvass" shall be presumed to be that time when the clerk signs the certified statement of the results of the election except that, in the case of a city election, if a city council canvasses the returns itself and does not order the clerk to conduct the canvass as permitted by Section 22932.5, "completion of the canvass" shall be presumed to be that time when the governing body declares the persons elected or the measures approved or defeated.

SEC. 2. Section 17160.5 is added to the Elections Code, to read:

17160.5. Following completion of the official canvass, any voter may, within five days beginning on the 29th day after a statewide election, file with the Secretary of State a written request for a recount of the votes cast for candidates for any statewide office or for or against any measure voted on statewide. The request shall specify in which county or counties the recount is sought and shall specify on behalf of which candidate, slate of electors, or position on a measure (affirmative or negative) it is filed.

The Secretary of State shall forthwith send by registered mail one copy of the request to the clerk of each county in which a recount of the votes is sought.

All the other provisions of this article shall apply to recounts conducted under the provisions of this section.

SEC. 3. Section 17165 of the Elections Code is amended to read:

17165. The recount shall be commenced not more than seven days following the clerk's receipt of the request for the recount under Section 17160 or 17160.5, and shall be continued daily,

Saturdays, Sundays and holidays excepted, for not less than six hours each day until completed.

SEC. 4. Section 17171 of the Elections Code is amended to read:

17171. In lieu of the returns as reported in the official canvass, upon completion of the recount showing that a different candidate was nominated or elected, that a different presidential slate of electors received a plurality of the votes, or that a measure was defeated instead of approved or approved instead of defeated, there shall be entered the result of the recount in each precinct affected, which result shall, for all purposes thereafter, be the official returns of those precincts for the office, slates of presidential electors, or measure involved in the recount. If the office, slates of presidential electors, or measure are not voted on statewide, the results of any recount which is not completed by counting the votes in each and every precinct in the jurisdiction within which votes were cast on the candidates for the office, on the slates of electors, or on the measure in question shall be declared null and void. If the office, slates of presidential electors, or measure are voted on statewide, the results of any recount will be declared null and void where there is not recounted each vote cast for the office, slates, or measure in any county specified in the request for recount filed with the Secretary of State.

CHAPTER 15

An act to amend Sections 33030.5 and 33200 of, the Health and Safety Code, relating to redevelopment, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 22, 1984. Filed with Secretary of State February 22, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 33030.5 of the Health and Safety Code is amended to read:

33030.5. The California Debt Advisory Commission created pursuant to Section 8855 of the Government Code shall conduct a study of each redevelopment agency created pursuant to this part and submit a report to the Legislature on or before October 1, 1984, containing all of the following information:

(a) The amount of outstanding indebtedness of each agency as of a date specified by the commission.

(b) The portion of property tax revenues within a project area which would otherwise be payable to affected taxing entities if a redevelopment plan did not contain a provision providing for the allocation of taxes pursuant to Section 33670.

(c) The potential liability of the State of California in the event of

a default by a redevelopment agency on any bonds.

(d) The amount of housing provided to persons and families of low or moderate income, as defined by Section 50093, and to very low income households, as defined by Section 50105. For purposes of this subdivision, the commission shall utilize the information contained in the reports prepared by redevelopment agencies pursuant to Section 33080.1 and filed with the Department of Housing and Community Development pursuant to Section 33080.

To the extent feasible, the commission shall obtain and utilize information from the Department of Housing and Community Development and the Controller in preparing the report required by this section.

SEC. 2. Section 33200 of the Health and Safety Code is amended to read:

33200. (a) As an alternative to the appointment of five members of the agency, the legislative body may, at the time of the adoption of an ordinance pursuant to Section 33101 or 33140 of this part, or at any time thereafter by adoption of an ordinance, declare itself to be the agency; in which case, all the rights, powers, duties, privileges and immunities, vested by this part in an agency, except as otherwise provided in this article, shall be vested in the legislative body of the community. If a member of the legislative body of a city or county does not wish to serve on the agency, the members may so notify the legislative body of the city or county, and the legislative body of the city or county shall appoint a replacement who is an elector of the city or county to serve out the term of the replaced member.

However, in any community in San Bernardino County which is a charter city, the adoption of any order or resolution by the legislative body acting as the agency shall be governed by the same procedures as are set forth in the provisions of the charter, and the mayor shall be the chairman of the agency, having the same power and authority in the conduct of the agency and the meetings of the legislative body acting as the agency, that the mayor has in the conduct of the affairs of the city, except that the mayor shall not have a veto power over any order or resolution of the agency.

As part of the legislative body's ordinance declaring itself to be the redevelopment agency pursuant to this subdivision, the legislative body shall make findings that the action shall serve the public interest and promote the public safety and welfare in an effective manner.

(b) In the event an appointive agency has been designated and has been in existence for at least three years, the legislative body shall not adopt an ordinance declaring itself to be the agency without first conducting a public hearing on the proposed ordinance.

Notice of the public hearing required by this subdivision shall be published not less than once during the 10 calendar days immediately prior to the hearing in a newspaper of general circulation, printed and published in the community, or if there is none, in a newspaper selected by the legislative body. The notice of

hearing shall include a general statement of the procedure and effect of the legislative body's declaring itself to be the agency. Copies of the notice shall be posted throughout the affected project area or areas at least 10 calendar days prior to the hearing. The legislative body shall also mail by first-class mail copies of the notice at least 10 calendar days prior to the hearing, to all persons who have expressed to the agency or the legislative body an interest in receiving information on redevelopment activities.

The legislative body shall cause the preparation of any report or reports or proposals, as are necessary to substantiate and explain the determination that the legislative body shall declare itself the redevelopment agency, to be presented at the public hearing.

As part of the legislative body's ordinance declaring itself to be the redevelopment agency pursuant to this subdivision, the legislative body shall make findings that (1) the action will serve the public interest and promote the public safety and welfare in a more effective manner than the current organization, and (2) there has been full public disclosure of all reports and proposals relating to the legislative body's intent to declare itself the redevelopment agency.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The California Debt Advisory Commission has been directed to conduct a study of redevelopment agencies and report its findings to the Legislature by July 1, 1984. The commission now states that it is having difficulties meeting this deadline. Moreover, some overburdened members of city councils and boards of supervisors are now finding it difficult to devote sufficient time to their duties with respect to community redevelopment agencies. In order to rectify these problems at the earliest possible time, it is necessary for this act to take effect immediately.

CHAPTER 16

An act to amend Sections 6013.5 and 6031 of the Business and Professions Code, and to amend Section 12011.5 of the Government Code, relating to the State Bar of California.

[Approved by Governor February 23, 1984. Filed with Secretary of State February 24, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 6013.5 of the Business and Professions Code is amended to read:

6013.5. Notwithstanding any other provision of law, six members of the board shall be members of the public who have never been

members of the State Bar or admitted to practice before any court in the United States. They shall be appointed through 1982 by the Governor, subject to the confirmation of the Senate.

Each of such members shall serve for a term of three years, commencing at the conclusion of the annual meeting next succeeding his appointment, except that for the initial term after enactment of this section, two shall serve for one year, two for two years, and the other two for three years, as determined by lot.

In 1983 one public member shall be appointed by the Senate Committee on Rules and one public member shall be appointed by the Speaker of the Assembly.

For each of the years, 1984 and 1985, two public members shall be appointed by the Governor, subject to the confirmation of the Senate.

Each respective appointing authority shall fill any vacancy in and make any reappointment to each respective office.

SEC. 2. Section 6031 of the Business and Professions Code is amended to read:

6031. (a) The board may aid in all matters pertaining to the advancement of the science of jurisprudence or to the improvement of the administration of justice, including, but not by way of limitation, all matters that may advance the professional interests of the members of the State Bar and such matters as concern the relations of the bar with the public.

(b) Notwithstanding this section or any other provision of law, the board shall not conduct or participate in, or authorize any committee, agency, employee, or commission of the State Bar to conduct or participate in any evaluation, review, or report on the qualifications, integrity, diligence, or judicial ability of any specific justice of a court provided for in Section 2 or 3 of Article VI of the California Constitution without prior review and statutory authorization by the Legislature.

The provisions of this subdivision shall not be construed to prohibit a member of the State Bar from conducting or participating in such an evaluation, review, or report in his or her individual capacity.

The provisions of this subdivision shall not be construed to prohibit an evaluation of potential judicial appointees or nominees as authorized by Section 12011.5 of the Government Code.

SEC. 3. Section 12011.5 of the Government Code is amended to read:

12011.5. (a) In the event of a vacancy in a judicial office to be filled by appointment of the Governor or in the event that a declaration of candidacy is not filed by a judge and the Governor is required under subdivision (d) of Section 16 of Article VI of the Constitution to nominate a candidate, the Governor shall first submit to a designated agency of the State Bar of California the names of all potential appointees or nominees for the judicial office for evaluation of their judicial qualifications.

(b) The membership of the designated agency of the State Bar

responsible for evaluation of judicial candidates shall consist of attorney members and public members with the ratio of public members to attorney members determined, to the extent practical, by the ratio established in Sections 6013, 6013.4, and 6013.5, inclusive, of the Business and Professions Code. It is the intent of this subdivision that the designated agency of the State Bar responsible for evaluation of judicial candidates shall be broadly representative of the ethnic, sexual, and racial diversity of the population of California and composed in accordance with Sections 11140 and 11141 of the Government Code. The further intent of this subdivision is to establish a selection process for membership on the designated agency of the State Bar responsible for evaluation of judicial candidates under which no member of that agency shall provide inappropriate, multiple representation for purposes of this subdivision.

(c) Upon receipt from the Governor of the names of candidates for judicial office and their completed personal data questionnaires, the State Bar shall employ appropriate confidential procedures to evaluate and determine the qualifications of each candidate with regard to his or her ability to discharge the judicial duties of the office to which the appointment or nomination shall be made. Within 90 days of submission by the Governor of the name of a potential appointee for judicial office, the State Bar shall report in confidence to the Governor its recommendation whether the candidate is exceptionally well-qualified, well-qualified, qualified, or not qualified and the reasons therefor, and may report, in confidence, such other information as the State Bar deems pertinent to the qualifications of the candidate.

(d) In determining the qualifications of a candidate for judicial office, the State Bar shall consider, among other appropriate factors, his or her industry, judicial temperament, honesty, objectivity, community respect, integrity, health, ability, and legal experience.

(e) The State Bar shall establish and promulgate rules and procedures regarding the investigation of the qualifications of candidates for judicial office by the designated agency. These rules and procedures shall establish appropriate, confidential methods for disclosing to the candidate the subject matter of substantial and credible adverse allegations received regarding the candidate's health, physical or mental condition, or moral turpitude which, unless rebutted, would be determinative of the candidate's unsuitability for judicial office. No provision of this section shall be construed as requiring that any rule or procedure be adopted which permits the disclosure to the candidate of information from which the candidate may infer the source, and no information shall either be disclosed to the candidate nor be obtainable by any process which would jeopardize the confidentiality of communications from persons whose opinion has been sought on the candidate's qualifications.

(f) All communications, written, verbal or otherwise, of and to the

Governor, the Governor's authorized agents or employees, including, but not limited to, the Governor's Legal Affairs Secretary and Appointments Secretary, or of and to the State Bar in furtherance of the purposes of this section are absolutely privileged from disclosure and confidential, and any communication made in the discretion of the Governor or the State Bar with a candidate or person providing information in furtherance of the purposes of this section shall not constitute a waiver of the privilege or a breach of confidentiality.

(g) When the Governor has appointed a person to a trial court who has been found not qualified by the designated agency, the State Bar may make public this fact after due notice to the appointee of its intention to do so, but no such notice or disclosure shall constitute a waiver of privilege or breach of confidentiality with respect to communications of or to the State Bar concerning the qualifications of the appointee.

(h) When the Governor has nominated or appointed a person to the Supreme Court or court of appeal in accordance with subdivision (d) of Section 16 of Article VI of the State Constitution, the Commission on Judicial Appointments may invite, or the State Bar's governing board or its designated agency may submit to the commission its recommendation, and the reasons therefor, but no such disclosure shall constitute a waiver of privilege or breach of confidentiality with respect to communications of or to the State Bar concerning the qualifications of the nominee or appointee.

(i) No person or entity shall be liable for any injury caused by any act or failure to act, be it negligent, intentional, discretionary, or otherwise, in the furtherance of the purposes of this section, including, but not limited to, providing or receiving any information, making any recommendations, and giving any reasons therefor. As used in this section, the term "State Bar" means its governing board and members thereof, the designated agency of the State Bar and members thereof, and employees and agents of the State Bar.

(j) At any time prior to the receipt of the report from the State Bar specified in subdivision (c) the Governor may withdraw the name of any person submitted to the State Bar for evaluation pursuant to this section.

(k) No candidate for judicial office may be appointed until the State Bar has reported to the Governor pursuant to this section, or until 90 days have elapsed after submission of the candidate's name to the State Bar, whichever occurs earlier. The requirement of this subdivision shall not apply to any vacancy in judicial office occurring within the 90 days preceding the expiration of the Governor's term of office, provided, however, that with respect to those vacancies and with respect to nominations pursuant to subdivision (d) of Section 16 of Article VI of the Constitution, the Governor shall be required to submit any candidate's name to the State Bar in order to provide it an opportunity, if time permits, to make an evaluation.

(*l*) Nothing in this section shall be construed as imposing an

additional requirement for an appointment or nomination to judicial office, nor shall anything in this section be construed as adding any additional qualifications for the office of a judge.

(m) The Board of Governors of the State Bar shall not conduct or participate in, or authorize any committee, agency, employee, or commission of the State Bar to conduct or participate in, any evaluation, review, or report on the qualifications, integrity, diligence, or judicial ability of any specific justice of a court provided for in Section 2 or 3 of Article VI of the California Constitution without prior review and statutory authorization by the Legislature, except an evaluation, review, or report on potential judicial appointees or nominees as authorized by this section.

The provisions of this subdivision shall not be construed to prohibit a member of the State Bar from conducting or participating in such an evaluation, review, or report in his or her individual capacity.

(n) If any provision of this section other than a provision relating to or providing for confidentiality or privilege from disclosure of any communication or matter, or the application of any such provision to any person or circumstances, shall be held invalid, the remainder of this section to the extent it can be given effect, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby, and to this extent the provisions of this section are severable. If any other act of the Legislature conflicts with the provisions of this section, this section shall prevail.

CHAPTER 17

An act to amend, repeal, and add Sections 7202, 7202.5, 7202.6, 7203, 7261, 7262 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1984. Filed with Secretary of State March 1, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 7202 of the Revenue and Taxation Code, as added by Section 3.2 of Chapter 5 of the Statutes of 1979, is amended to read:

7202. (a) The sales tax portion of any sales and use tax ordinance adopted under this part shall be imposed for the privilege of selling tangible personal property at retail, and shall include provisions in substance as follows:

(1) A provision imposing a tax for the privilege of selling tangible personal property at retail upon every retailer in the county at the rate of 1¼ percent of the gross receipts of the retailer from the sale of all tangible personal property sold by that person at retail in the

county.

(2) Provisions identical to those contained in Part 1 (commencing with Section 6001) of this division, insofar as they relate to sales taxes, except that the name of the county as the taxing agency shall be substituted for that of the state and that an additional seller's permit shall not be required if one has been or is issued to the seller under Section 6067 of this code.

(3) A provision that all amendments subsequent to the effective date of the enactment of Part 1 (commencing with Section 6001) of this division relating to sales tax and not inconsistent with this part, shall automatically become a part of the sales tax ordinance of the county.

(4) A provision that the county shall contract prior to the effective date of the county sales and use tax ordinances with the State Board of Equalization to perform all functions incident to the administration or operation of the sales and use tax ordinance of the county. Any such contract shall contain a provision that the county agrees to comply with the provisions of Article 11 (commencing with Section 29530) of Chapter 2 of Division 3 of Title 3 of the Government Code.

(5) A provision that such ordinance may be made inoperative not less than 60 days, but not earlier than the first day of the calendar quarter, following the county's lack of compliance with Article 11 (commencing with Section 29530) of Chapter 2 of Division 3 of Title 3 of the Government Code or following an increase by any city within the county of the rate of its sales or use tax above the rate in effect at the time the county ordinance was enacted.

(6) A provision that the amount subject to tax shall not include the amount of any sales tax or use tax imposed by the State of California upon a retailer or consumer.

(7) A provision that there is exempted from the sales tax 80 percent of the gross receipts from the sale of tangible personal property to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government.

(8) A provision that any person subject to a sales and use tax under the county ordinance shall be entitled to credit against the payment of taxes due under that ordinance the amount of sales and use tax due to any city in the county; provided, that the city sales and use tax is levied under an ordinance including provisions in substance as follows:

(A) A provision imposing a tax for the privilege of selling tangible personal property at retail upon every retailer in the city at the rate of 1 percent or less of the gross receipts of the retailer from the sale of all tangible personal property sold by that person at retail in the city and a use tax of 1 percent or less of purchase price upon the storage, use or other consumption of tangible personal property

purchased from a retailer for storage, use or consumption in the city.

(B) Provisions identical to those contained in Part 1 (commencing with Section 6001) of this division, insofar as they relate to sales and use taxes, except that the name of the city as the taxing agency shall be substituted for that of the state (but the name of the city shall not be substituted for the word "state" in the phrase "retailer engaged in business in this state" in Section 6203 nor in the definition of that phrase in Section 6203) and that an additional seller's permit shall not be required if one has been or is issued to the seller under Section 6067 of this code.

(C) A provision that all amendments subsequent to the effective date of the enactment of Part 1 (commencing with Section 6001) of this division relating to sales and use tax and not inconsistent with this part, shall automatically become a part of the sales and use tax ordinance of the city.

(D) A provision that the city shall contract prior to the effective date of the city sales and use tax ordinance with the State Board of Equalization to perform all functions incident to the administration or operation of the sales and use tax ordinance of the city which shall continue in effect so long as the county within which the city is located has an operative sales and use tax ordinance enacted pursuant to this part.

(E) A provision that the storage, use or other consumption of tangible personal property, the gross receipts from the sale of which has been subject to sales tax under a sales and use tax ordinance enacted in accordance with this part by any city and county, county, or city in this state, shall be exempt from the tax due under this ordinance.

(F) A provision that the amount subject to tax shall not include the amount of any sales tax or use tax imposed by the State of California upon a retailer or consumer.

(G) A provision that there are exempted from the computation of the amount of the sales tax the gross receipts from the sale of tangible personal property to operators of aircraft to be used or consumed principally outside the city in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government.

(H) A provision that, in addition to the exemptions provided in Sections 6366 and 6366.1 of this code, the storage, use, or other consumption of tangible personal property purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this state, the United States, or any foreign government is exempt from the use tax.

(b) This section shall cease to be operative on March 1, 1984, and thereafter this section shall become operative on January 1, 1986.

SEC. 2. Section 7202 is added to the Revenue and Taxation Code, to read:

7202. (a) The sales tax portion of any sales and use tax ordinance adopted under this part shall be imposed for the privilege of selling tangible personal property at retail, and shall include provisions in substance as follows:

(1) A provision imposing a tax for the privilege of selling tangible personal property at retail upon every retailer in the county at the rate of 1¼ percent of the gross receipts of the retailer from the sale of all tangible personal property sold by that person at retail in the county.

(2) Provisions identical to those contained in Part 1 (commencing with Section 6001) of this division, insofar as they relate to sales taxes, except that the name of the county as the taxing agency shall be substituted for that of the state and that an additional seller's permit shall not be required if one has been or is issued to the seller under Section 6067 of this code.

(3) A provision that all amendments subsequent to the effective date of the enactment of Part 1 (commencing with Section 6001) of this division relating to sales tax and not inconsistent with this part, shall automatically become a part of the sales tax ordinance of the county.

(4) A provision that the county shall contract prior to the effective date of the county sales and use tax ordinances with the State Board of Equalization to perform all functions incident to the administration or operation of the sales and use tax ordinance of the county. Any such contract shall contain a provision that the county agrees to comply with the provisions of Article 11 (commencing with Section 29530) of Chapter 2 of Division 3 of Title 3 of the Government Code.

(5) A provision that such ordinance may be made inoperative not less than 60 days, but not earlier than the first day of the calendar quarter, following the county's lack of compliance with Article 11 (commencing with Section 29530) of Chapter 2 of Division 3 of Title 3 of the Government Code or following an increase by any city within the county of the rate of its sales or use tax above the rate in effect at the time the county ordinance was enacted.

(6) A provision that the amount subject to tax shall not include the amount of any sales tax or use tax imposed by the State of California upon a retailer or consumer.

(7) A provision that there is exempted from the sales tax 80 percent of the gross receipts from the sale of tangible personal property to operators of waterborne vessels to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the carriage of persons or property in such vessels for commercial purposes.

(8) A provision that there is exempted from the sales tax 80 percent of the gross receipts from the sale of tangible personal property to operators of aircraft to be used or consumed principally

outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government.

(9) A provision that any person subject to a sales and use tax under the county ordinance shall be entitled to credit against the payment of taxes due under that ordinance the amount of sales and use tax due to any city in the county; provided, that the city sales and use tax is levied under an ordinance including provisions in substance as follows:

(A) A provision imposing a tax for the privilege of selling tangible personal property at retail upon every retailer in the city at the rate of 1 percent or less of the gross receipts of the retailer from the sale of all tangible personal property sold by that person at retail in the city and a use tax of 1 percent or less of purchase price upon the storage, use or other consumption of tangible personal property purchased from a retailer for storage, use or consumption in the city.

(B) Provisions identical to those contained in Part 1 (commencing with Section 6001) of this division, insofar as they relate to sales and use taxes, except that the name of the city as the taxing agency shall be substituted for that of the state (but the name of the city shall not be substituted for the word "state" in the phrase "retailer engaged in business in this state" in Section 6203 nor in the definition of that phrase in Section 6203) and that an additional seller's permit shall not be required if one has been or is issued to the seller under Section 6067 of this code.

(C) A provision that all amendments subsequent to the effective date of the enactment of Part 1 (commencing with Section 6001) of this division relating to sales and use tax and not inconsistent with this part, shall automatically become a part of the sales and use tax ordinance of the city.

(D) A provision that the city shall contract prior to the effective date of the city sales and use tax ordinance with the State Board of Equalization to perform all functions incident to the administration or operation of the sales and use tax ordinance of the city which shall continue in effect so long as the county within which the city is located has an operative sales and use tax ordinance enacted pursuant to this part.

(E) A provision that the storage, use or other consumption of tangible personal property, the gross receipts from the sale of which has been subject to sales tax under a sales and use tax ordinance enacted in accordance with this part by any city and county, county, or city in this state, shall be exempt from the tax due under this ordinance.

(F) A provision that the amount subject to tax shall not include the amount of any sales tax or use tax imposed by the State of California upon a retailer or consumer.

(G) A provision that there are exempted from the computation of the amount of the sales tax the gross receipts from the sale of tangible

personal property to operators of waterborne vessels to be used or consumed principally outside the city in which the sale is made and directly and exclusively in the carriage of persons or property in such vessels for commercial purposes.

(H) A provision that the storage, use, or other consumption of tangible personal property purchased by operators of waterborne vessels and used or consumed by such operators directly and exclusively in the carriage of persons or property in such vessels for commercial purposes is exempted from the use tax.

(I) A provision that there are exempted from the computation of the amount of the sales tax the gross receipts from the sale of tangible personal property to operators of aircraft to be used or consumed principally outside the city in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government.

(J) A provision that, in addition to the exemptions provided in Sections 6366 and 6366.1 of this code, the storage, use, or other consumption of tangible personal property purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this state, the United States, or any foreign government is exempt from the use tax.

(b) This section shall remain in effect only until January 1, 1986, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1986, deletes or extends that date.

SEC. 3. Section 7202.5 of the Revenue and Taxation Code, as added by Section 2.5 of Chapter 951 of the Statutes of 1981, is amended to read:

7202.5. (a) In addition to the provisions set forth in subparagraphs (A) to (H), inclusive, of paragraph (8) of subdivision (a) of Section 7202, a city sales and use tax ordinance may provide that any person subject to a sales and use tax under the city's ordinance shall be entitled to credit against the payment of taxes due under that ordinance the amount of sales and use taxes due to the redevelopment agency of such city pursuant to Section 7202.6.

(b) This section shall cease to be operative on March 1, 1984, and thereafter this section shall become operative on January 1, 1986.

SEC. 4. Section 7202.5 is added to the Revenue and Taxation Code, to read:

7202.5. (a) In addition to the provisions set forth in subparagraphs (A) to (J), inclusive, of paragraph (9) of subdivision (a) of Section 7202, a city sales and use tax ordinance may provide that any person subject to a sales and use tax under the city's ordinance shall be entitled to credit against the payment of taxes due under that ordinance the amount of sales and use taxes due to the redevelopment agency of such city pursuant to Section 7202.6.

(b) This section shall remain in effect only until January 1, 1986, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1986, deletes or extends that date.

SEC. 5. Section 7202.6 of the Revenue and Taxation Code, as added by Section 3.5 of Chapter 951 of the Statutes of 1981, is amended to read:

7202.6. (a) The redevelopment agency of any city which has adopted a sales and use tax ordinance pursuant to this part and containing the provision described in Section 7202.5 may adopt a sales and use tax ordinance in accordance with the provisions of this part, provided the redevelopment agency sales and use tax is levied under an ordinance including the following provisions:

(1) A provision imposing a tax for the privilege of selling tangible personal property at retail upon every retailer in the project area at the rate of 1 percent or less of the gross receipts of the retailer from the sale of all tangible personal property sold by that person at retail in the project area, and a use tax of 1 percent or less of purchase price upon the storage, use or other consumption of tangible personal property purchased from a retailer for storage, use or consumption in the project area. The rate of tax imposed by the ordinance shall not exceed the rate of tax imposed by the city ordinance.

(2) Provisions identical to those contained in Part 1 (commencing with Section 6001), insofar as they relate to sales and use taxes, except that the name of the redevelopment agency as the taxing agency shall be substituted for that of the state (but the name of the redevelopment agency shall not be substituted for the word "state" in the phrase "retailer engaged in business in this state" in Section 6203 nor in the definition of that phrase in Section 6203) and that an additional seller's permit shall not be required if one has been or is issued to the seller under Section 6067.

(3) A provision that all amendments subsequent to the effective date of the enactment of Part 1 (commencing with Section 6001) relating to sales and use tax and not inconsistent with this part, shall automatically become a part of the sales and use tax ordinance of the agency.

(4) A provision that the agency shall contract prior to the operative date of the agency sales and use tax ordinance with the State Board of Equalization to perform all functions incident to the administration or operation of the sales and use tax ordinance of the agency which shall continue in effect so long as the county and the city within which the agency is located have operative sales and use tax ordinances enacted pursuant to this part.

(5) A provision that the storage, use or other consumption of tangible personal property, the gross receipts from the sale of which has been subject to sales tax under a sales and use tax ordinance enacted in accordance with this part by any city and county, county, city or redevelopment agency in this state, shall be exempt from the tax due under this ordinance.

(6) A provision that the amount subject to tax shall not include the

amount of any sales tax or use tax imposed by the State of California upon a retailer or consumer.

(7) A provision that there are exempted from the computation of the amount of the sales tax the gross receipts from the sale of tangible personal property to operators of aircraft to be used or consumed principally outside the project area and the city in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government.

(8) A provision that, in addition to the exemptions provided in Sections 6366 and 6366.1, the storage, use, or other consumption of tangible personal property purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this state, the United States, or any foreign government is exempt from the use tax.

(b) The ordinance shall contain an enacting clause which states as follows: "The redevelopment agency of the City of _____ does ordain as follows:" Such ordinance shall be signed by the chairman of the agency and attested by the clerk or secretary of the agency, and shall take effect immediately upon its final passage, provided, however, that the ordinance shall become operative on the first day of the first calendar quarter commencing more than 180 days after adoption of the ordinance. In all other respects, such ordinance shall be introduced and passed, and notice given by publication, in the manner provided by law for general law cities.

(c) This section shall cease to be operative on March 1, 1984, and thereafter this section shall become operative on January 1, 1986.

SEC. 6. Section 7202.6 is added to the Revenue and Taxation Code, to read:

7202.6. (a) The redevelopment agency of any city which has adopted a sales and use tax ordinance pursuant to this part and containing the provision described in Section 7202.5 may adopt a sales and use tax ordinance in accordance with the provisions of this part, provided the redevelopment agency sales and use tax is levied under an ordinance including all of the following provisions:

(1) A provision imposing a tax for the privilege of selling tangible personal property at retail upon every retailer in the project area at the rate of 1 percent or less of the gross receipts of the retailer from the sale of all tangible personal property sold by that person at retail in the project area, and a use tax of 1 percent or less of purchase price upon the storage, use or other consumption of tangible personal property purchased from a retailer for storage, use or consumption in the project area. The rate of tax imposed by the ordinance shall not exceed the rate of tax imposed by the city ordinance.

(2) Provisions identical to those contained in Part 1 (commencing with Section 6001), insofar as they relate to sales and use taxes, except that the name of the redevelopment agency as the taxing agency

shall be substituted for that of the state (but the name of the redevelopment agency shall not be substituted for the word "state" in the phrase "retailer engaged in business in this state" in Section 6203 nor in the definition of that phrase in Section 6203) and that an additional seller's permit shall not be required if one has been or is issued to the seller under Section 6067.

(3) A provision that all amendments subsequent to the effective date of the enactment of Part 1 (commencing with Section 6001) relating to sales and use tax and not inconsistent with this part, shall automatically become a part of the sales and use tax ordinance of the agency.

(4) A provision that the agency shall contract prior to the operative date of the agency sales and use tax ordinance with the State Board of Equalization to perform all functions incident to the administration or operation of the sales and use tax ordinance of the agency which shall continue in effect so long as the county and the city within which the agency is located have operative sales and use tax ordinances enacted pursuant to this part.

(5) A provision that the storage, use or other consumption of tangible personal property, the gross receipts from the sale of which has been subject to sales tax under a sales and use tax ordinance enacted in accordance with this part by any city and county, county, city or redevelopment agency in this state, shall be exempt from the tax due under this ordinance.

(6) A provision that the amount subject to tax shall not include the amount of any sales tax or use tax imposed by the State of California upon a retailer or consumer.

(7) A provision that there are exempted from the computation of the amount of the sales tax the gross receipts from the sale of tangible personal property to operators of waterborne vessels to be used or consumed principally outside the project area and the city in which the sale is made and directly and exclusively in the carriage of persons or property in such vessels for commercial purposes.

(8) A provision that the storage, use, or other consumption of tangible personal property purchased by operators of waterborne vessels and used or consumed by such operators directly and exclusively in the carriage of persons or property in such vessels for commercial purposes is exempted from the use tax.

(9) A provision that there are exempted from the computation of the amount of the sales tax the gross receipts from the sale of tangible personal property to operators of aircraft to be used or consumed principally outside the project area and the city in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government.

(10) A provision that, in addition to the exemptions provided in Sections 6366 and 6366.1, the storage, use, or other consumption of tangible personal property purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the

use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this state, the United States, or any foreign government is exempt from the use tax.

(b) The ordinance shall contain an enacting clause which states as follows: "The redevelopment agency of the City of _____ does ordain as follows:" Such ordinance shall be signed by the chairman of the agency and attested by the clerk or secretary of the agency, and shall take effect immediately upon its final passage, provided, however, that the ordinance shall become operative on the first day of the first calendar quarter commencing more than 180 days after adoption of the ordinance. In all other respects, such ordinance shall be introduced and passed, and notice given by publication, in the manner provided by law for general law cities.

(c) The exercise of the taxing power implemented pursuant to this section in any fiscal year shall be deemed a transfer of financial responsibility from the community to the agency for such fiscal year within the meaning of subdivision (a) of Section 3 of Article XIII B of the California Constitution.

(d) Any redevelopment agency adopting a sales and use tax ordinance pursuant to this section shall not levy a sales or use tax in excess of the rate of sales and use tax levied by the city.

(e) Any redevelopment agency imposing sales and use taxes pursuant to this section shall use 20 percent of the revenues from these taxes to promote the supply of housing for low- and moderate-income families unless the agency finds that the unemployment rate in the contiguous census tract block groups or enumeration districts within the city's boundaries equal 1½ times the average statewide rate of unemployment for the previous calendar quarter based on data prepared by the Employment Development Department.

"Calendar quarter" means three consecutive months beginning with January. Adjustments shall be made for fluctuations in unemployment rates due to seasonal employment opportunities based on historical data. If the calendar quarter on which the agency is basing its finding has historically been a quarter of high unemployment for that city or county over the past five years, the agency shall not use that quarter to support its finding.

(f) Prior to adopting an ordinance which contains the provisions described in this section, the redevelopment agency shall consider the applicability of Section 4 of Article XIII A of, and Article XIII B of, the California Constitution to the terms of the proposed ordinance.

(g) This section shall remain in effect only until January 1, 1986, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1986, deletes or extends that date.

SEC. 7. Section 7203 of the Revenue and Taxation Code, as added by Section 3.4 of Chapter 5 of the Statutes of 1979, is amended to read:

7203. (a) The use tax portion of any sales and use tax ordinance

adopted under this part shall impose a complementary tax upon the storage, use or other consumption in the county of tangible personal property purchased from any retailer for storage, use or other consumption in the county. Such tax shall be at the rate of 1¼ percent of the sales price of the property whose storage, use or other consumption is subject to the tax and shall include:

(1) Provisions identical to the provisions contained in Part 1 (commencing with Section 6001) of this division, other than Section 6201 insofar as such provisions relate to the use tax except that the name of the county as the taxing agency enacting the ordinance shall be substituted for that of the state (but the name of the county shall not be substituted for the word "state" in the phrase "retailer engaged in business in this state" in Section 6203 nor in the definition of that phrase in Section 6203).

(2) A provision that all amendments subsequent to the date of such ordinance to the provisions of the Revenue and Taxation Code relating to the use tax and not inconsistent with this part shall automatically become a part of the ordinance.

(3) A provision that the storage, use or other consumption of tangible personal property, the gross receipts from the sale of which has been subject to sales tax under a sales and use tax ordinance enacted in accordance with this part by any city and county, county, or city in this state, shall be exempt from the tax due under this ordinance.

(4) A provision that the amount subject to tax shall not include the amount of any sales tax or use tax imposed by the State of California upon a retailer or consumer.

(5) A provision that, in addition to the exemptions provided in Sections 6366 and 6366.1 of this code, the storage, use, or other consumption of tangible personal property purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this state, the United States or any foreign government is exempt from 80 percent of the use tax.

(b) This section shall cease to be operative on March 1, 1984, and thereafter this section shall become operative on January 1, 1986.

SEC. 8. Section 7203 is added to the Revenue and Taxation Code, to read:

7203. (a) The use tax portion of any sales and use tax ordinance adopted under this part shall impose a complementary tax upon the storage, use or other consumption in the county of tangible personal property purchased from any retailer for storage, use or other consumption in the county. Such tax shall be at the rate of 1¼ percent of the sales price of the property whose storage, use or other consumption is subject to the tax and shall include:

(1) Provisions identical to the provisions contained in Part 1 (commencing with Section 6001) of this division, other than Section

6201 insofar as such provisions relate to the use tax except that the name of the county as the taxing agency enacting the ordinance shall be substituted for that of the state (but the name of the county shall not be substituted for the word "state" in the phrase "retailer engaged in business in this state" in Section 6203 nor in the definition of that phrase in Section 6203).

(2) A provision that all amendments subsequent to the date of such ordinance to the provisions of the Revenue and Taxation Code relating to the use tax and not inconsistent with this part shall automatically become a part of the ordinance.

(3) A provision that the storage, use or other consumption of tangible personal property, the gross receipts from the sale of which has been subject to sales tax under a sales and use tax ordinance enacted in accordance with this part by any city and county, county, or city in this state, shall be exempt from the tax due under this ordinance.

(4) A provision that the amount subject to tax shall not include the amount of any sales tax or use tax imposed by the State of California upon a retailer or consumer.

(5) A provision that the storage, use, or other consumption of tangible personal property purchased by operators of waterborne vessels and used or consumed by such operators directly and exclusively in the carriage of persons or property in such vessels for commercial purposes is exempted from 80 percent of the use tax.

(6) A provision that, in addition to the exemptions provided in Sections 6366 and 6366.1 of this code, the storage, use, or other consumption of tangible personal property purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this state, the United States, or any foreign government is exempt from 80 percent of the use tax.

(b) This section shall remain in effect only until January 1, 1986, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1986, deletes or extends that date.

SEC. 9. Section 7261 of the Revenue and Taxation Code, as added by Section 3.6 of Chapter 5 of the Statutes of 1979, is amended to read:

7261. (a) The transactions tax portion of any transactions and use taxes ordinance adopted under this part shall be imposed for the privilege of selling tangible personal property at retail, and shall include provisions in substance as follows:

(1) A provision imposing a tax for the privilege of selling tangible personal property at retail upon every retailer in the district at a rate of one-half of 1 percent of the gross receipts of the retailer from the sale of all tangible personal property sold by that person at retail in the district.

(2) Provisions identical to those contained in Part 1 (commencing with Section 6001) of this division, insofar as they relate to sales taxes

and are not inconsistent with this part, except that the name of the district as the taxing agency shall be substituted for that of the state and that an additional transactor's permit shall not be required if a seller's permit has been or is issued to the transactor under Section 6067 of this code.

(3) A provision that all amendments subsequent to the effective date of this part to Part 1 (commencing with Section 6001) of this division relating to sales tax and not inconsistent with this part shall automatically become a part of the transactions and use taxes ordinance; provided, however, that no such amendment shall operate so as to affect the rate of tax imposed by the district's board.

(4) A provision that the amount subject to tax shall not include the amount of sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law, or the amount of any state-administered transactions or use tax.

(5) A provision that there are exempted from the tax the gross receipts from the sale of tangible personal property to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government.

(6) A provision that sales of property to be used outside the district which are shipped to a point outside the district, pursuant to the contract of sale, by delivery to such point by the retailer or her agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point, are exempt from the tax.

For purposes of this section, "delivery" of vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Article 2 (commencing with Section 680) of Chapter 5 of Division 3 of the Harbors and Navigation Code shall be satisfied by registration to an out-of-district address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his principal place of residence.

"Delivery" of commercial vehicles shall be satisfied by registration to a place of business out of district and a declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

(7) A provision that the sale of tangible personal property is exempt from tax if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of the ordinance. A lease of tangible personal property which is a continuing sale of such property is exempt from tax for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of the ordinance. For the purposes of this subdivision, the sale

or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

(b) This section shall cease to be operative on March 1, 1984, and thereafter this section shall become operative on January 1, 1986.

SEC. 10. Section 7261 is added to the Revenue and Taxation Code, to read:

7261. (a) The transactions tax portion of any transactions and use taxes ordinance adopted under this part shall be imposed for the privilege of selling tangible personal property at retail, and shall include provisions in substance as follows:

(1) A provision imposing a tax for the privilege of selling tangible personal property at retail upon every retailer in the district at a rate of one-half of 1 percent of the gross receipts of the retailer from the sale of all tangible personal property sold by that person at retail in the district.

(2) Provisions identical to those contained in Part 1 (commencing with Section 6001) of this division, insofar as they relate to sales taxes and are not inconsistent with this part, except that the name of the district as the taxing agency shall be substituted for that of the state and that an additional transactor's permit shall not be required if a seller's permit has been or is issued to the transactor under Section 6067 of this code.

(3) A provision that all amendments subsequent to the effective date of this part to Part 1 (commencing with Section 6001) of this division relating to sales tax and not inconsistent with this part shall automatically become a part of the transactions and use taxes ordinance; provided, however, that no such amendment shall operate so as to affect the rate of tax imposed by the district's board.

(4) A provision that the amount subject to tax shall not include the amount of sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law, or the amount of any state-administered transactions or use tax.

(5) A provision that there are exempted from the tax the gross receipts from the sale of tangible personal property to operators of waterborne vessels to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the carriage of persons or property in such vessels for commmercial purposes.

(6) A provision that there are exempted from the tax the gross receipts from the sale of tangible personal property to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government.

(7) A provision that sales of property to be used outside the district which is shipped to a point outside the district, pursuant to the contract of sale, by delivery to such point by the retailer or his or her agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point, are exempt from the tax.

For purposes of this section, "delivery" of vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Article 2 (commencing with Section 680) of Chapter 5 of Division 3 of the Harbors and Navigation Code shall be satisfied by registration to an out-of-district address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence.

"Delivery" of commercial vehicles shall be satisfied by registration to a place of business out of district and a declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

(8) A provision that the sale of tangible personal property is exempt from tax if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of the ordinance. A lease of tangible personal property which is a continuing sale of such property is exempt from tax for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of the ordinance. For the purposes of this subdivision, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

(b) This section shall remain in effect only until January 1, 1986, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1986, deletes or extends that date.

SEC. 11. Section 7262 of the Revenue and Taxation Code, as added by Section 3.8 of Chapter 5 of the Statutes of 1979, is amended to read:

7262. (a) The use tax portion of any transactions and use tax ordinance adopted under this part shall impose a complementary tax upon the storage, use or other consumption in the district of tangible personal property purchased from any retailer for storage, use or other consumption in the district. Such tax shall be at a rate of one-half of 1 percent of the sales price of the property whose storage, use or other consumption is subject to the tax, and the ordinance shall include provisions in substance as follows:

(1) Provisions identical to those contained in Part 1 (commencing with Section 6001) of this division, insofar as they relate to use taxes and are not inconsistent with this part, except that the name of the district as the taxing agency shall be substituted for that of the state.

The name of the district shall be substituted for the word "state" in the phrase "retailer engaged in business in this state" in Section 6203 and in the definition of that phrase.

An additional provision shall be included that a retailer engaged in business in the district shall not be required to collect use tax from the purchaser of tangible personal property unless the retailer ships or delivers the property into the district or participates within the district in making the sale of the property, including, but not limited to soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the district or through any representative, agent, canvasser, solicitor, subsidiary or person in the district under authority of the retailer.

(2) A provision that all amendments subsequent to the effective date of this part to the provisions of Part 1 (commencing with Section 6001) of this division relating to the use tax and not inconsistent with this part shall automatically become a part of the ordinance; provided, however, that no such amendment shall operate so as to affect the rate of tax imposed by the district's board.

(3) A provision that the amount subject to tax shall not include the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law, or the amount of any state-administered transactions or use tax.

(4) A provision that the storage, use or other consumption of tangible personal property, the gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use taxes ordinance shall be exempt from the tax.

(5) A provision that, in addition to the exemptions provided in Sections 6366 and 6366.1 of this code, the storage, use, or other consumption of tangible personal property purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this state, the United States, or any foreign government is exempt from the use tax.

(6) A provision that the storage, use, or other consumption in the district of tangible personal property is exempt from tax if purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of the ordinance. The possession of, or the exercise of any right or power over, tangible personal property under a lease which is a continuing purchase of such property is exempt from tax for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of the ordinance. For the purposes of this subdivision, storage, use, or other consumption, or possession, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease

has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

(b) This section shall cease to be operative on March 1, 1984, and thereafter this section shall become operative on January 1, 1986.

SEC. 12. Section 7262 is added to the Revenue and Taxation Code, to read:

7262. (a) The use tax portion of any transactions and use tax ordinance adopted under this part shall impose a complementary tax upon the storage, use or other consumption in the district of tangible personal property purchased from any retailer for storage, use or other consumption in the district. Such tax shall be at a rate of one-half of 1 percent of the sales price of the property whose storage, use or other consumption is subject to the tax, and the ordinance shall include provisions in substance as follows:

(1) Provisions identical to those contained in Part 1 (commencing with Section 6001) of this division, insofar as they relate to use taxes and are not inconsistent with this part, except that the name of the district as the taxing agency shall be substituted for that of the state. The name of the district shall be substituted for the word "state" in the phrase "retailer engaged in business in this state" in Section 6203 and in the definition of that phrase.

An additional provision shall be included that a retailer engaged in business in the district shall not be required to collect use tax from the purchaser of tangible personal property unless the retailer ships or delivers the property into the district or participates within the district in making the sale of the property, including, but not limited to soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the district or through any representative, agent, canvasser, solicitor, subsidiary or person in the district under authority of the retailer.

(2) A provision that all amendments subsequent to the effective date of this part to the provisions of Part 1 (commencing with Section 6001) of this division relating to the use tax and not inconsistent with this part shall automatically become a part of the ordinance; provided, however, that no such amendment shall operate so as to affect the rate of tax imposed by the district's board.

(3) A provision that the amount subject to tax shall not include the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law, or the amount of any state-administered transactions or use tax.

(4) A provision that the storage, use or other consumption of tangible personal property, the gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use taxes ordinance shall be exempt from the tax.

(5) A provision that the storage, use, or other consumption of tangible personal property purchased by operators of waterborne vessels and used or consumed by such operators directly and exclusively in the carriage of persons or property in such vessels for

commercial purposes is exempt from the use tax.

(6) A provision that, in addition to the exemptions provided in Sections 6366 and 6366.1 of this code, the storage, use, or other consumption of tangible personal property purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this state, the United States, or any foreign government is exempt from the use tax.

(7) A provision that the storage, use, or other consumption in the district of tangible personal property is exempt from tax if purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of the ordinance. The possession of, or the exercise of any right or power over, tangible personal property under a lease which is a continuing purchase of such property is exempt from tax for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of the ordinance. For the purposes of this subdivision, storage, use, or other consumption, or possession, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

(b) This section shall remain in effect only until January 1, 1986, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1986, deletes or extends that date.

SEC. 12.5. Sections 2, 4, 6, 8, 10, and 12 of this act shall become operative on March 1, 1984.

SEC. 13. Notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made by this act and the state shall not reimburse any local agency for any sales and use tax revenues lost by it under this act because other revenues are generated as a result of this act which equal or exceed the amount of any sales and use tax revenues lost by it under this act.

SEC. 14. The Legislative Analyst shall submit to the Legislature, no later than February 1, 1985, a study evaluating the effect of the exemptions enacted by this act and projecting the effect of repealing these exemptions.

SEC. 15. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into effect immediately. The facts constituting the necessity are:

The ability of California suppliers to compete with suppliers in other states is seriously jeopardized by the imposition, as of January 1, 1984, of local sales and use taxes on certain operators of waterborne vessels.

In order that the impact of this tax be minimized at the earliest

possible time, it is necessary that this act take effect immediately.

CHAPTER 18

An act to amend Section 965.65 of the Government Code, relating to claims against the state, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1984 Filed with Secretary of State March 1, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 965.65 of the Government Code is amended to read:

965.65. Within 180 days of the effective date of any statute making an appropriation to pay a claim in excess of fifty thousand dollars ($50,000) against the State of California, which claim arose from the activities of any state agency or employee, the agency shall report to the Governor, the Legislature, and the Attorney General concerning any action it has taken to prevent the future occurrence of circumstances similar to those upon which the claim was based, including any imposition of disciplinary action.

SEC. 2. The sum of four million four hundred eighteen thousand four hundred eighty-five dollars and twenty-seven cents ($4,418,485.27) is hereby appropriated from the funds indicated below to the State Board of Control to pay the claims of the Secretary of the State Board of Control:

General Fund	$1,500,772.73
Transportation Fund	
Motor Vehicle Account	977.00
Motor Vehicle Account (CHP)	2,815,000.00
Motor Vehicle Account (DMV)	100,000.00
Unemployment Administration Fund	1,735.54
Total	$4,418,485.27

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to settle claims against the state and ending a hardship to claimants as quickly as possible, it is necessary for this act to take effect immediately.

CHAPTER 19

An act to amend Section 4801 of the Civil Code, relating to family law.

[Approved by Governor March 1, 1984. Filed with Secretary of State March 1, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 4801 of the Civil Code is amended to read:

4801. (a) In any judgment decreeing the dissolution of a marriage or a legal separation of the parties, the court may order a party to pay for the support of the other party any amount, and for any period of time, as the court may deem just and reasonable. In making the award, the court shall consider the following circumstances of the respective parties:

(1) The earning capacity of each spouse, taking into account the extent to which the supported spouse's present and future earning capacity is impaired by periods of unemployment that were incurred during the marriage to permit the supported spouse to devote time to domestic duties.

(2) The needs of each party.

(3) The obligations and assets, including the separate property, of each.

(4) The duration of the marriage.

(5) The ability of the supported spouse to engage in gainful employment without interfering with the interests of dependent children in the custody of the spouse.

(6) The time required for the supported spouse to acquire appropriate education, training, and employment.

(7) The age and health of the parties.

(8) The standard of living of the parties.

(9) Any other factors which it deems just and equitable.

At the request of either party, the court shall make appropriate factual determinations with respect to the circumstances. Where it is just and reasonable in view of the circumstances of the respective parties, the court, in determining the needs of the supported spouse, may include an amount sufficient to maintain insurance for the benefit of the supported spouse on the life of the spouse required to make the payment of support so that the supported spouse will not be left without means for support in the event that the order for support is terminated by the death of the party required to make the payment of support. The court may order the party required to make the payment of support to give reasonable security therefor. Any order for support of the other party may be modified or revoked as the court may deem necessary, except as to any amount that may have accrued prior to the date of the filing of the notice of motion or order to show cause to modify or revoke. At the request of either

party, the order of modification or revocation shall include a statement of decision and may be made retroactive to the date of filing of the notice of motion or order to show cause to modify or revoke, or to any date subsequent thereto.

(b) Except as otherwise agreed by the parties in writing, the obligation of any party under any order or judgment for the support and maintenance of the other party shall terminate upon the death of either party or the remarriage of the other party.

(c) When a court orders a person to make specified payments for support of the other party for a contingent period of time, the liability of the person terminates upon the happening of the contingency. If the party to whom payments are to be made fails to notify the person ordered to make the payments, or the attorney of record of the person so ordered, of the happening of the contingency and continues to accept support payments, the supported party shall refund any and all moneys received which accrued after the happening of the contingency, except that the overpayments shall first be applied to any and all support payments which are then in default. The court may, in the original order for support, order the party to whom payments are to be made to notify the person ordered to make such payments, or his or her attorney of record, of the happening of the contingency.

(d) An order for payment of an allowance for the support of one of the parties shall terminate at the end of the period specified in the order and shall not be extended unless the court in its original order retains jurisdiction.

(e) In any proceeding under this section the court may order a party to submit to an examination by a vocational training consultant. The order may be made only on motion, for good cause shown, and upon notice to the party to be examined and to all parties, and shall specify the time, place, manner, conditions, scope of the examination and the person or persons by whom it is to be made. The party refusing to comply with such an order shall be subject to the same consequences provided for failure to comply with an examination ordered pursuant to Section 2032 of the Code of Civil Procedure.

(f) For the purposes of this section, "vocational training consultant" means an individual with sufficient knowledge, skill, experience, training, or education relating to interviewing, the testing and analysis of work skills, the planning of courses of training and study, the formulation of career goals, and the work market to qualify as an expert in vocational training under Section 720 of the Evidence Code.

CHAPTER 20

An act to amend Sections 764.030 and 874.210 of, to add Sections 764.045 and 874.225 to, and to repeal Sections 764.040, 764.050, 874.220, and 874.230 of, the Code of Civil Procedure, relating to judgments.

[Approved by Governor March 1, 1984 Filed with Secretary of State March 1, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 764.030 of the Code of Civil Procedure is amended to read:

764.030. The judgment in the action is binding and conclusive on all of the following persons, regardless of any legal disability:

(a) All persons known and unknown who were parties to the action and who have any claim to the property, whether present or future, vested or contingent, legal or equitable, several or undivided.

(b) Except as provided in Section 764.045, all persons who were not parties to the action and who have any claim to the property which was not of record at the time the lis pendens was filed or, if none was filed, at the time the judgment was recorded.

SEC. 2. Section 764.040 of the Code of Civil Procedure is repealed.

SEC. 3. Section 764.045 is added to the Code of Civil Procedure, to read:

764.045. Except to the extent provided in Section 1908, the judgment does not affect a claim in the property or part thereof of any person who was not a party to the action if any of the following conditions is satisfied:

(a) The claim was of record at the time the lis pendens was filed or, if none was filed, at the time the judgment was recorded.

(b) The claim was actually known to the plaintiff or would have been reasonably apparent from an inspection of the property at the time the lis pendens was filed or, if none was filed, at the time the judgment was entered. Nothing in this subdivision shall be construed to impair the rights of a bona fide purchaser or encumbrancer for value dealing with the plaintiff or the plaintiff's successors in interest.

SEC. 4. Section 764.050 of the Code of Civil Procedure is repealed.

SEC. 5. Section 874.210 of the Code of Civil Procedure is amended to read:

874.210. The judgment in the action is binding and conclusive on all of the following:

(a) All persons known and unknown who were parties to the action and who have or claim any interest in the property, whether present or future, vested or contingent, legal or beneficial, several or undivided.

(b) All persons not in being or not ascertainable at the time the

judgment is entered who have any remainder interest in the property, or any part thereof, after the determination of a particular estate therein and who by any contingency may be entitled to a beneficial interest in the property, provided the judge shall make appropriate provision for the protection of such interests.

(c) Except as provided in Section 874.225, all persons who were not parties to the action and who have or claim any interest in the property which was not of record at the time the lis pendens was filed, or if none was filed, at the time the judgment was recorded.

SEC. 6. Section 874.220 of the Code of Civil Procedure is repealed.

SEC. 7. Section 874.225 is added to the Code of Civil Procedure, to read:

874.225. Except to the extent provided in Section 1908, the judgment does not affect a claim in the property or part thereof of any person who was not a party to the action if any of the following conditions is satisfied:

(a) The claim was of record at the time the lis pendens was filed or, if none was filed, at the time the judgment was recorded.

(b) The claim was actually known to the plaintiff or would have been reasonably apparent from an inspection of the property at the time the lis pendens was filed or, if none was filed, at the time the judgment was entered. For the purpose of this subdivision, a "claim in the property or part thereof" of any person means the interest of the person in the portion of the property or proceeds of sale thereof allocated to the plaintiff. Nothing in this subdivision shall be construed to impair the rights of a bona fide purchaser or encumbrancer for value dealing with the plaintiff or the plaintiff's successors in interest.

SEC. 8. Section 874.230 of the Code of Civil Procedure is repealed.

CHAPTER 21

An act to add Section 206.5 to the Elections Code, relating to elections.

[Approved by Governor March 1, 1984. Filed with Secretary of State March 1, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 206.5 is added to the Elections Code, to read:

206.5. The domicile of a Member of the Legislature or a Representative in the Congress of the United States shall be conclusively presumed to be at the residence address indicated on that person's currently filed affidavit of registration.

CHAPTER 22

An act to add Section 11150.6 to the Health and Safety Code, relating to drugs, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1984. Filed with Secretary of State March 1, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 11150.6 is added to the Health and Safety Code, to read:

11150.6. Notwithstanding Section 11150.5 or subdivision (a) of Section 11054, methaqualone, its salts, isomers, and salts of its isomers shall be deemed to be classified in Schedule I for the purposes of this chapter.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to assure that the legislative intent behind the passage of Chapter 790 of the Statutes of 1983 is effectively carried out, it is necessary that this law go into immediate effect.

CHAPTER 23

An act to amend Sections 48900 and 48915 of the Education Code, relating to education.

[Approved by Governor March 1, 1984. Filed with Secretary of State March 1, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 48900 of the Education Code is amended to read:

48900. A pupil shall not be suspended from school or recommended for expulsion unless the superintendent or the principal of the school in which the pupil is enrolled determines that the pupil has:

(a) Caused, attempted to cause, or threatened to cause physical injury to another person.

(b) Possessed, sold, or otherwise furnished any firearm, knife, explosive, or other dangerous object unless, in the case of possession of any such object, the pupil had obtained written permission to possess the item from a certificated school employee, which is concurred in by the principal or the designee of the principal.

(c) Unlawfully possessed, used, sold, or otherwise furnished, or been under the influence of, any controlled substance, as defined in Section 11007 of the Health and Safety Code, an alcoholic beverage, or an intoxicant of any kind.

(d) Unlawfully offered, arranged, or negotiated to sell any controlled substance, as defined in Section 11007 of the Health and Safety Code, an alcoholic beverage, or an intoxicant of any kind, and then either sold, delivered, or otherwise furnished to any person another liquid, substance, or material and represented the liquid, substance, or material as a controlled substance, alcoholic beverage, or intoxicant.

(e) Committed robbery or extortion.

(f) Caused or attempted to cause damage to school property or private property.

(g) Stolen or attempted to steal school property or private property.

(h) Possessed or used tobacco, except as provided in Section 48901.

(i) Committed an obscene act or engaged in habitual profanity or vulgarity.

(j) Unlawfully offered, arranged, or negotiated to sell any drug paraphernalia, as defined in Section 11364 of the Health and Safety Code.

(k) Disrupted school activities or otherwise willfully defied the valid authority of supervisors, teachers, administrators, school officials, or other school personnel engaged in the performance of their duties.

(*l*) Knowingly received stolen school property or private property.

No pupil shall be suspended or expelled for any of the acts enumerated unless that act is related to school activity or school attendance. A pupil may be suspended or expelled for acts which are enumerated in this section and related to school activity or attendance which occur at any time, including, but not limited to, any of the following:

(1) While on school grounds.

(2) While going to or coming from school.

(3) During the lunch period whether on or off the campus.

(4) During, or while going to or coming from, a school sponsored activity.

It is the intent of the Legislature that alternatives to suspensions or expulsion be imposed against any pupil who is truant, tardy, or otherwise absent from school activities.

SEC. 2. Section 48915 of the Education Code is amended to read:

48915. (a) The principal or the superintendent of schools shall recommend a pupil's expulsion for any of the following acts, unless the principal or superintendent finds, and so reports in writing to the governing board, that expulsion is inappropriate, due to the particular circumstance, which shall be set out in the report of the

incident:

(1) Causing serious physical injury to another person, except in self-defense.

(2) Possession of any firearm, knife, explosive, or other dangerous object of no reasonable use to the pupil at school or at a school activity off school grounds.

(3) Unlawful sale of any controlled substance, as defined in Section 11007 of the Health and Safety Code, except for the sale of not more than one avoirdupois ounce of marijuana, other than concentrated cannabis.

(4) Robbery or extortion.

(b) Upon recommendation by the principal, superintendent of schools, or by a hearing officer or administrative panel appointed pursuant to subdivision (d) of Section 48919, the governing board may order a pupil expelled upon finding that the pupil violated subdivision (a), (b), (c), (d), or (e) of Section 48900.

(c) Upon recommendation by the principal, superintendent of schools, or by a hearing officer or administrative panel appointed pursuant to subdivision (d) of Section 48919, the governing board may order a pupil expelled upon finding that the pupil violated subdivision (f), (g), (h), (i), (j), (k), or (*l*) of Section 48900 and either of the following:

(1) That other means of correction are not feasible or have repeatedly failed to bring about proper conduct.

(2) That due to the nature of the violation, the presence of the pupil causes a continuing danger to the physical safety of the pupil or others.

(d) In a matter involving a pupil with previously identified exceptional needs who is currently enrolled in a special education program, the governing board may order the pupil expelled pursuant to subdivisions (b) and (c) only if the board also finds, based upon a determination by an individualized education program team, that the misconduct was not caused by the pupil's identified handicap or by an inappropriate placement.

However, a pupil with previously identified exceptional needs who is currently enrolled in a special education program may be suspended for any of the reasons enumerated in Section 48900 upon a first offense, without a determination by an individualized education program team that the misconduct was not caused by the pupil's identified handicap or by an inappropriate placement, if the principal or superintendent of schools determines that the pupil violated subdivision (a), (b), (c), (d), or (e) of Section 48900, or that the pupil's presence causes a danger to persons or property or threatens to disrupt the instructional process.

CHAPTER 24

An act to amend Section 1 of Chapter 1183 of the Statutes of 1983, relating to claims, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1984. Filed with Secretary of State March 1, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1 of Chapter 1183 of the Statutes of 1983 is amended to read:

Section 1. The sum of one million one hundred twelve thousand four hundred forty-seven dollars and fifty-nine cents ($1,112,447.59) is hereby appropriated from the funds indicated to the State Board of Control to pay the claims of the Secretary of the State Board of Control:

General Fund	$234,085.99
Automotive Repair Fund	53.00
Energy Resources Conservation & Development Special Account	332.56
Fish and Game Preservation Fund	329,723.99
Health Facilities Authority Fund	283.04
Board of Medical Quality Assurance Contingent Fund	159,051.80
Real Estate Fund	195.00
State Compensation Insurance Fund	2,921.71
Transportation Fund, Motor Vehicle Account	8,321.64
Transportation Fund, Motor Vehicle Account (CHP)	315.00
Transportation Fund, Motor Vehicle Account (DMV)	65.00
Transportation Fund, Motor Vehicle License Fee Account	1,299.00
Transportation Fund, Off-Highway Fuel Account	12.00
Transportation Fund, Off-Highway License Fee Account	4.00
Transportation Fund, State Highway Account	6,573.15
Transportation Tax Fund, Motor Vehicle Fuel Account	29,732.22
Unemployment Administration Fund	.60
Unemployment Compensation Disability Fund	267.43
Unemployment Compensation Disability Insurance Fund	41.86
Unemployment Fund	1,322.18
Water Resources Revolving Fund	17,894.76
Item 192-001-835, Budget Act of 1981	5,962.91

Item 0650-001-001, Budget Act of 1983	131.50
Item 0820-001-001(A), Budget Act of 1983	422.50
Item 0820-001-001(G), Budget Act of 1983	4,158.87
Item 0840-001-001(A), Budget Act of 1983	574.42
Item 0860-001-001(A), Budget Act of 1983	82.24
Item 0860-001-001(B), Budget Act of 1983	173.10
Item 0890-001-001(A), Budget Act of 1983	127.36
Item 0950-001-001(B), Budget Act of 1983	393.99
Item 1655-090-702(A), Budget Act of 1983	320.90
Item 1655-090-702(B), Budget Act of 1983	50.00
Item 1655-090-702(C), Budget Act of 1983	128.36
Item 1700-001-001(B), Budget Act of 1983	2,649.88
Item 1730-001-001(A), Budget Act of 1983	803.24
Item 1760-001-666, Budget Act of 1983	1,530.47
Item 1760-001-666(A), Budget Act of 1983	5,609.18
Item 1760-001-666(B), Budget Act of 1983	85.80
Item 1900-001-830(D), Budget Act of 1983	802.59
Item 1970-011-001(A), Budget Act of 1983	10,878.53
Item 1970-011-001(B), Budget Act of 1983	2,552.81
Item 2240-001-001(D), Budget Act of 1983	282.00
Item 2290-001-217(D), Budget Act of 1983	2,704.80
Item 2320-001-317, Budget Act of 1983	240.00
Item 2660-001-042(A), Budget Act of 1983	16,778.86
Item 2720-001-044(A), Budget Act of 1983	14,374.83
Item 2740-001-044, Budget Act of 1983	371.88
Item 2740-001-044(D), Budget Act of 1983	3,281.91
Item 3340-001-001(D), Budget Act of 1983	1,586.54
Item 3360-001-019(B), Budget Act of 1983	603.12
Item 3540-001-001(D), Budget Act of 1983	2,360.21
Item 3600-001-200(B), Budget Act of 1983	6,783.40
Item 3790-001-001(A), Budget Act of 1983	5,177.11
Item 3790-001-001(B), Budget Act of 1983	5,106.64
Item 4140-001-001, Budget Act of 1983	435.43
Item 4260-001-001(A), Budget Act of 1983	25,036.16
Item 4260-001-001(D), Budget Act of 1983	413.16
Item 4260-001-890, Budget Act of 1983	223.25
Item 4300-111-001(A), Budget Act of 1983	62,109.68
Item 4440-011-001(C), Budget Act of 1983	25,686.06
Item 5100-001-870(A), Budget Act of 1983	18,014.38
Item 5160-001-001(D), Budget Act of 1983	605.43
Item 5180-001-044(F), Budget Act of 1983	11,071.90
Item 5240-001-001, Budget Act of 1983	420.00
Item 5240-001-001(A), Budget Act of 1983	46,471.89
Item 5240-001-001(C), Budget Act of 1983	3,704.39
Item 5440-001-001, Budget Act of 1983	1,737.81
Item 5460-001-001(B), Budget Act of 1983	10,755.19
Item 6100-001-001(B), Budget Act of 1983	419.12
Item 6100-001-001(D), Budget Act of 1983	65.24
Item 6360-001-407(A), Budget Act of 1983	625.00

Item 6360-001-407(B), Budget Act of 1983	51.20
Item 6610-001-001, Budget Act of 1983	80.00
Item 6610-001-001(A), Budget Act of 1983	390.00
Item 6610-001-001(E), Budget Act of 1983	4,838.89
Item 6860-001-001(D), Budget Act of 1983	369.37
Item 8300-001-001(C), Budget Act of 1983	587.45
Item 8350-001-001(H), Budget Act of 1983	4,772.14
Item 8570-001-001(H), Budget Act of 1983	3,978.57
TOTAL	$1,112,447.59

SEC. 2. The sum of one million two hundred eighty-three thousand four hundred four dollars and thirty-six cents ($1,283,404.36) is hereby appropriated from the funds indicated to the State Board of Control to pay the claims of the Secretary of the State Board of Control:

General Fund	$1,009,984.19
Consumer Affairs Fund	497.58
California Health Facilities Commission Fund	39,900.00
Disability Insurance Fund	102.00
Fish and Game Preservation Fund	1,564.66
Homeowners Property Tax Relief Fund	70.00
Nursing Home Adminstrators State Licensing Examining Board Fund	49.44
Transportation Fund	
Motor Vehicle Account	990.00
Motor Vehicle Account (CHP)	3,577.50
Motor Vehicle License Fee Account	764.00
State Highway Account	106.00
Transportation Tax Fund, Motor Vehicle Account	5.00
Unemployment Compensation Disability Fund	72.00
Unemployment Fund	116.00
Unemployment Insurance Fund	208.00
Water Resources Revolving Fund	1,711.26
Item 0160-001-001(A), Budget Act of 1983	2,593.43
Item 0820-001-001(G), Budget Act of 1983	1,066.87
Item 0840-001-001(A), Budget Act of 1983	1,287.05
Item 0860-001-001(A), Budget Act of 1983	218.03
Item 0860-001-001(B), Budget Act of 1983	50.00
Item 0890-001-001(B), Budget Act of 1983	413.57
Item 1100-001-001(A), Budget Act of 1983	1,457.78
Item 1230-020-735(A), Budget Act of 1983	943.00
Item 1240-022-738, Budget Act of 1983	284.13
Item 1655-090-702(A), Budget Act of 1983	135.34
Item 1700-001-001(B), Budget Act of 1983	4,157.40
Item 1730-001-001(A), Budget Act of 1983	546.99
Item 1730-001-001(B), Budget Act of 1983	28.30

Item 1760-001-666(A), Budget Act of 1983	8,023.53
Item 1970-011-001(A), Budget Act of 1983	7,886.55
Item 2240-001-648, Budget Act of 1983	1,687.27
Item 2290-001-217(D), Budget Act of 1983	3,677.74
Item 2660-001-042(A), Budget Act of 1983	10,116.83
Item 2720-001-044(A), Budget Act of 1983	2,709.64
Item 2740-001-044(D), Budget Act of 1983	1,805.52
Item 3340-001-001(D), Budget Act of 1983	8,737.05
Item 3480-001-001(D), Budget Act of 1983	2,103.68
Item 3540-001-001(D), Budget Act of 1983	4,440.00
Item 3790-001-001(A), Budget Act of 1983	1,027.35
Item 3790-001-001(B), Budget Act of 1983	1,210.65
Item 4200-001-001(C), Budget Act of 1983	1,500.48
Item 4260-001-001(A), Budget Act of 1983	23,515.82
Item 4300-111-001(A), Budget Act of 1983	51,220.81
Item 4440-011-001(C), Budget Act of 1983	17,046.96
Item 5100-001-870(A), Budget Act of 1983	5,442.91
Item 5180-001-001(F), Budget Act of 1983	2,543.40
Item 5240-001-001(A), Budget Act of 1983	13,486.97
Item 5240-001-001(B), Budget Act of 1983	1,536.61
Item 5240-001-001(C), Budget Act of 1983	10,110.85
Item 5240-101-001(A), Budget Act of 1983	155.73
Item 5460-001-001(B), Budget Act of 1983	3,637.28
Item 5460-001-001(E), Budget Act of 1983	3,159.34
Item 6100-001-001(A), Budget Act of 1983	122.10
Item 6100-001-001(D), Budget Act of 1983	1,825.47
Item 6100-006-001(A), Budget Act of 1983	1,574.69
Item 6610-001-001(A), Budget Act of 1983	343.31
Item 6610-001-001(E), Budget Act of 1983	7,947.99
Item 6860-001-001(A), Budget Act of 1983	2,297.02
Item 8260-001-001(A), Budget Act of 1983	1,630.00
Item 8290-001-001(A), Budget Act of 1983	249.52
Item 8300-001-001(C), Budget Act of 1983	190.25
Item 8350-001-001(H), Budget Act of 1983	5,801.52
Item 8560-001-001(B), Budget Act of 1983	1,700.00
Item 8570-001-001(H), Budget Act of 1983	40.00
Total	$1,283,404.36

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to settle claims against the state and end a hardship to claimants as quickly as possible, it is necessary for this act to take effect immediately.

CHAPTER 25

An act to amend Section 21655.6 of the Vehicle Code, relating to state highways.

[Approved by Governor March 1, 1984. Filed with Secretary of State March 1, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 21655.6 of the Vehicle Code is amended to read:

21655.6. Whenever the Department of Transportation authorizes or permits exclusive or preferential use of highway lanes for high-occupancy vehicles on any highway located within the territory of a transportation planning agency, as defined in Section 99214 of the Public Utilities Code, or a county transportation commission, the department shall obtain the approval of the transportation planning agency or county transportation commission prior to establishing the exclusive or preferential use of the highway lanes.

If the department authorizes or permits additional exclusive or preferential use of highway lanes for high-occupancy vehicles on that portion of State Highway Route 101 located within the boundaries of the City of Los Angeles, the department shall obtain the approval of the Los Angeles County Transportation Commission by at least a two-thirds majority vote of the entire membership eligible to vote prior to establishing the additional exclusion or preferential use of the highway lanes. For purposes of this section, eight of the 11 voting members constitute a two-thirds majority of the commission.

Pursuant to Section 146 of the federal Surface Transportation Assistance Act of 1982 (P.L. 97-424), the department shall not restrict or require the restriction of the use of any lane on any federal-aid highway in the unincorporated areas of Alameda County to high-occupancy vehicles, exclusive of approaches to controlled access highways, toll roads, or bridges.

CHAPTER 26

An act to add Section 25960.5 to the Public Resources Code, relating to energy resources, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1984. Filed with Secretary of State March 1, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 25960.5 is added to the Public Resources Code, to read:

25960.5. Notwithstanding the prohibition contained in Section 25960, any swimming pool heater with a pilot light which was manufactured prior to February 24, 1984, and in stock or on order as of that date, may be sold in this state prior to December 1, 1984. On or after December 1, 1984, no swimming pool heater may be sold or offered for sale, unless it is equipped with an intermittent ignition device or is designed to burn only liquefied petroleum gases.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to effectuate the regulations requiring swimming pool heaters to be equipped with intermittent ignition devices on and after February 24, 1984, and to provide for orderly clearance of existing heater inventories, it is necessary that this act take effect immediately.

CHAPTER 27

An act to amend Section 1952.2 of, to repeal Section 1952.3 of, and to repeal and add Section 1952 of, the Code of Civil Procedure, relating to exhibits and depositions.

[Approved by Governor March 6, 1984. Filed with Secretary of State March 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1952 of the Code of Civil Procedure is repealed.

SEC. 2. Section 1952 is added to the Code of Civil Procedure, to read:

1952. (a) The clerk shall retain in his or her custody any exhibit or deposition introduced in the trial of a civil action or proceeding filed in the action or proceeding until the final determination thereof or the dismissal of the action or proceeding, except that the court may order the exhibit or deposition returned to the respective party or parties at any time upon oral stipulation in open court or by written stipulation by the parties or for good cause shown.

(b) Upon the final determination or dismissal of the action or proceeding, the court, on its own motion, may order the destruction or other disposition of the exhibit or deposition.

(c) No exhibit or deposition shall be ordered destroyed or otherwise disposed of pursuant to this section until 60 days after notice of the proposed action has been mailed by the clerk to all attorneys of record and to all parties not having an attorney of

record. That notice is complete upon mailing of written notice by the clerk, or by the court if there is no clerk, to the attorney, or to the party if he has no attorney, at his last address shown in the file of the case. Notice may also be given by the clerk by indicating on the notice of entry of judgment that if no appeal is filed, the court may, on its own motion, order the exhibit or deposition destroyed or otherwise disposed of after 60 days from the expiration of the appeal time.

(d) No exhibit or deposition shall be ordered destroyed or otherwise disposed of pursuant to the provisions of this section where a party to the action or proceeding files a written notice with the court requesting the preservation of any exhibit or deposition for a stated time, but not to exceed one year. The exhibit or deposition may be destroyed after that time unless another notice is filed.

SEC. 3. Section 1952.2 of the Code of Civil Procedure is amended to read:

1952.2. Notwithstanding any other provisions of law, upon a judgment becoming final, at the expiration of the appeal period, unless an appeal is pending, the court, in its discretion, and on its own motion by a written order signed by the judge, filed in the action, and an entry thereof made in the register of actions, may order the clerk to return all of the exhibits and depositions introduced or filed in the trial of a civil action or proceeding to the attorneys for the parties introducing or filing the same.

SEC. 4. Section 1952.3 of the Code of Civil Procedure is repealed.

CHAPTER 28

An act to amend Section 33050 of the Education Code, relating to education, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 6, 1984. Filed with Secretary of State March 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 33050 of the Education Code is amended to read:

33050. (a) The governing board of a school district or a county board of education may, on a districtwide or countywide basis or on behalf of one or more of its schools or programs, after a public hearing on the matter, request the State Board of Education to waive all or part of any section of this code, except:

(1) The provisions of Article 1 (commencing with Section 15700) and Article 2 (commencing with Section 15780) of Chapter 6 of Part 10.

(2) The provisions of Chapter 8 (commencing with Section 16000)

and Chapter 9 (commencing with Section 16400) of Part 10.

(3) The provisions of Chapter 22 (commencing with Section 17700), Chapter 23 (commencing with Section 17760), and Chapter 25 (commencing with Section 17785) of Part 10.

(4) The provisions of Part 13 (commencing with Section 22000).

(5) The following provisions of Part 23:

(A) Chapter 1 (commencing with Section 39000).

(B) Article 1 (commencing with Section 39100) to Article 6 (commencing with Section 39210), inclusive, of Chapter 2.

(C) Section 39248; Sections 39313 to 39325, inclusive; Section 39363; and Sections 39618 to 39621, inclusive.

(6) The provisions of Sections 52163, 52165, 52166, and 52178.

(7) The provisions of Article 3 (commencing with Section 52850) of Chapter 12 of Part 28.

(8) The identification and assessment criteria relating to any categorical aid program, including Sections 52164.1 and 52164.6.

(9) The provisions specified pursuant to Section 52033.

(b) Any waiver of provisions related to the programs identified in Section 52851 shall be granted only pursuant to the provisions of Article 3 (commencing with Section 52850) of Chapter 12 of Part 28.

(c) The waiver of an advisory committee required by law shall be granted only pursuant to the provisions of Article 4 (commencing with Section 52870) of Chapter 12 of Part 28.

(d) Any request for a waiver submitted by the governing board of a school district or a county board of education pursuant to subdivision (a) shall include a written statement as to (1) whether the exclusive representative of employees, if any, as provided in Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code, participated in the development of the waiver and (2) the exclusive representative's position regarding the waiver.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to eliminate the confusion resulting from the chaptering out of the amendments to Section 33050 of the Education Code which were made by Chapter 461 of the Statutes of 1983 by the subsequent enactment of Chapter 1192 of the Statutes of 1983, and to prevent undue delay in the consideration of waiver requests submitted by various school districts; and in order to provide sufficient funding for summer school programs in the 1984–85 fiscal year, and to permit the orderly implementation of those programs; it is necessary that this act take effect immediately.

CHAPTER 29

An act to amend Section 4800 of the Civil Code, and to amend Section 904.1 of the Code of Civil Procedure, relating to civil procedure.

[Approved by Governor March 6, 1984. Filed with Secretary of State March 7, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 4800 of the Civil Code is amended to read:

4800. (a) Except upon the written agreement of the parties, or on oral stipulation of the parties in open court, the court shall, either in its judgment of dissolution of the marriage, in its judgment decreeing the legal separation of the parties, or at a later time if it expressly reserves jurisdiction to make such a property division, divide the community property and the quasi-community property of the parties equally. For purposes of making such division, the court shall value the assets and liabilities as near as practicable to the time of trial, except that, upon 30 days' notice by the moving party to the other party, the court for good cause shown may value all or any portion of the assets and liabilities at a date after separation and prior to trial to accomplish an equal division of the community property and the quasi-community property of the parties in an equitable manner.

(b) Notwithstanding subdivision (a), the court may divide the community property and quasi-community property of the parties as follows:

(1) Where economic circumstances warrant, the court may award any asset to one party on such conditions as it deems proper to effect a substantially equal division of the property.

(2) As an additional award or offset against existing property, the court may award, from a party's share, any sum it determines to have been deliberately misappropriated by such party to the exclusion of the community property or quasi-community property interest of the other party.

(3) If the net value of the community property and quasi-community property is less than five thousand dollars ($5,000) and one party cannot be located through the exercise of reasonable diligence, the court may award all such property to the other party on such conditions as it deems proper in its judgment decreeing the dissolution of the marriage or in its judgment decreeing the legal separation of the parties.

(4) Educational loans shall be assigned to the spouse receiving the education in the absence of extraordinary circumstances rendering such an assignment unjust.

(c) Notwithstanding the provisions of subdivision (a), community property personal injury damages shall be assigned to the party who

suffered the injuries unless the court, after taking into account the economic condition and needs of each party, the time that has elapsed since the recovery of the damages or the accrual of the cause of action, and all other facts of the case, determines that the interests of justice require another disposition. In such case, the community property personal injury damages shall be assigned to the respective parties in such proportions as the court determines to be just, except that at least one-half of such damages shall be assigned to the party who suffered the injuries. As used in this subdivision, "community property personal injury damages" means all money or other property received or to be received by a person in satisfaction of a judgment for damages for his or her personal injuries or pursuant to an agreement for the settlement or compromise of a claim for such damages, if the cause of action for such damages arose during the marriage but is not separate property as defined in Section 5126, unless such money or other property has been commingled with other community property.

(d) The court may make such orders as it deems necessary to carry out the purposes of this section.

SEC. 2. Section 904.1 of the Code of Civil Procedure is amended to read:

904.1. An appeal may be taken from a superior court in the following cases:

(a) From a judgment, except (1) an interlocutory judgment, other than as provided in subdivisions (h) and (i), (2) a judgment of contempt which is made final and conclusive by Section 1222, (3) a judgment on appeal from a municipal court or a justice court or a small claims court, or (4) a judgment granting or denying a petition for issuance of a writ of mandamus or prohibition directed to a municipal court or a justice court or the judge or judges thereof which relates to a matter pending in the municipal or justice court. However, an appellate court may, in its discretion, review a judgment granting or denying a petition for issuance of a writ of mandamus or prohibition upon petition for an extraordinary writ.

(b) From an order made after a judgment made appealable by subdivision (a).

(c) From an order granting a motion to quash service of summons or granting a motion to stay or dismiss the action on the ground of inconvenient forum.

(d) From an order granting a new trial or denying a motion for judgment notwithstanding the verdict.

(e) From an order discharging or refusing to discharge an attachment or granting a right to attach order.

(f) From an order granting or dissolving an injunction, or refusing to grant or dissolve an injunction.

(g) From an order appointing a receiver.

(h) From an interlocutory judgment, order, or decree, hereafter made or entered in an action to redeem real or personal property from a mortgage thereof, or a lien thereon, determining the right to

redeem and directing an accounting.

(i) From an interlocutory judgment in an action for partition determining the rights and interests of the respective parties and directing partition to be made.

(j) From an order or decree made appealable by the provisions of the Probate Code.

SEC. 3. The two dollar ($2) fee collectible pursuant to Section 26859 of the Government Code prior to July 1, 1984, shall be collectible for all those actions filed prior to July 1, 1984, at the time of the filing of a request for a final decree on or after July 1, 1984.

CHAPTER 30

An act to amend Sections 751, 752, and 753 of the Evidence Code, relating to evidence, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 6, 1984. Filed with Secretary of State March 7, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 751 of the Evidence Code is amended to read:

751. (a) An interpreter shall take an oath that he or she will make a true interpretation to the witness in a language that the witness understands and that he or she will make a true interpretation of the witness' answers to questions to counsel, court, or jury, in the English language, with his or her best skill and judgment.

(b) A translator shall take an oath that he or she will make a true translation in the English language of any writing he or she is to decipher or translate.

(c) An interpreter or translator regularly employed by the court and certified in accordance with Article 4 (commencing with Section 68560) of Chapter 2 of Title 8 of the Government Code, may file an oath as prescribed by this section with the clerk of the court. The filed oath shall serve for all subsequent court proceedings until the appointment is revoked by the court.

SEC. 2. Section 752 of the Evidence Code is amended to read:

752. (a) When a witness is incapable of hearing or understanding the English language or is incapable of expressing himself or herself in the English language so as to be understood directly by counsel, court, and jury, an interpreter whom he or she can understand and who can understand him or her shall be sworn to interpret for him or her.

(b) The record shall identify the interpreter who may be appointed and compensated as provided in Article 2 (commencing

with Section 730) of Chapter 3.

SEC. 3. Section 753 of the Evidence Code is amended to read:

753. (a) When the written characters in a writing offered in evidence are incapable of being deciphered or understood directly, a translator who can decipher the characters or understand the language shall be sworn to decipher or translate the writing.

(b) The record shall identify the translator who may be appointed and compensated as provided in Article 2 (commencing with Section 730) of Chapter 3.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to assure, as promptly as possible, that court interpreters are used expeditiously and effectively, it is necessary that this act go into immediate effect.

CHAPTER 31

An act to amend Sections 660 and 11628 of the Insurance Code, relating to insurance.

[Approved by Governor March 6, 1984. Filed with Secretary of State March 7, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 660 of the Insurance Code is amended to read:

660. As used in this chapter:

(a) "Policy" means an automobile liability, automobile physical damage, or automobile collision policy, or any combination thereof, delivered or issued for delivery in this state, insuring a single individual or individuals residing in the same household, as named insured, and under which the insured vehicles therein designated are of the following types only:

(1) A motor vehicle of the private passenger or station wagon type that is not used as a public or livery conveyance for passengers, nor rented to others; or

(2) Any other four-wheel motor vehicle with a load capacity of 1,500 pounds or less which is not used in the occupation, profession, or business of the insured; provided, however, that this chapter shall not apply (i) to any policy issued under an automobile assigned risk plan, or (ii) to any policy insuring more than four automobiles, or (iii) to any policy covering garage, automobile sales agency, repair shop, service station, or public parking place operation hazards; or

(3) A motorcycle.

(b) "Automobile liability coverage" includes only coverage of

bodily injury and property damage liability, medical payments, and uninsured motorists coverage.

(c) "Automobile physical damage coverage" includes all coverage of loss or damage to an automobile insured under the policy except loss or damage resulting from collision or upset.

(d) "Automobile collision coverage" includes all coverage of loss or damage to an automobile insured under the policy resulting from collision or upset.

(e) "Renewal" or "to renew" means to continue coverage with either the insurer which issued the policy or an affiliated insurer, as defined in Section 1215, for an additional policy period upon expiration of the current policy period of a policy, provided that if coverage is continued with an affiliated insurer, it shall be the same or broader coverage as provided by the present insurer, and the insured shall be notified in writing at least 20 days prior to expiration of the current policy period of all of the following: (1) That the insurer has determined that it will not offer renewal of the policy with the present insurer, (2) That it is offering replacement in an affiliated insurer, and (3) That the insured may obtain in writing the reasons for the change in insurers if he or she requests in writing not later than one month following the expiration of the policy period the reason or reasons for the change in insurers. Any policy with a policy period or term of six months or less, whether or not made continuous for successive terms upon the payment of additional premiums, shall for the purpose of this chapter be considered as if written for a policy period or term of six months. Any policy written for a term longer than one year, or any policy with no fixed expiration date, shall for the purpose of this chapter, be considered as if written for successive policy periods or terms of one year.

(f) "Nonpayment of premium" means failure of the named insured to discharge when due any of his obligations in connection with the payment of premiums on a policy, or any installment of such premium, whether the premium is payable directly to the insurer or its agent or indirectly under any premium finance plan or extension of credit.

(g) "Cancellation" means termination of coverage by an insurer (other than termination at the request of the insured) during a policy period.

(h) "Nonrenewal" means a notice by the insurer to the named insured that the insurer is unwilling to renew a policy.

(i) "Expiration" means termination of coverage by reason of the policy having reached the end of the term for which it was issued or the end of the period for which a premium has been paid.

SEC. 2. Section 11628 of the Insurance Code is amended to read:

11628. (a) No admitted insurer, licensed to issue and issuing motor vehicle liability policies as defined in Section 16450 of the Vehicle Code, shall fail or refuse to accept an application for such insurance, to issue such insurance to an applicant therefor, or issue or cancel such insurance under conditions less favorable to the

insured than in other comparable cases, except for reasons applicable alike to persons of every race, language, color, religion, national origin, ancestry, or the same geographic area; nor shall race, language, color, religion, national origin, ancestry, or location within a geographic area of itself constitute a condition or risk for which a higher rate, premium, or charge may be required of the insured for such insurance.

As used in this section "geographic area" means a portion of this state of not less than 20 square miles defined by description in the rating manual of an insurer or in the rating manual of a rating bureau of which the insurer is a member or subscriber. In order that geographic areas used for rating purposes may reflect homogeneity of loss experience, a record of loss experience for such geographic area shall include the breakdown of actual loss experience statistics by zip code area (as designated by the United State Postal Service) within each geographic area for family owned private passenger motor vehicles and lightweight commercial motor vehicles, under 1½-ton load capacity, used for local service or retail delivery, normally within a 50-mile radius of garaging, and which are not part of a fleet of five or more motor vehicles under one ownership. A record of loss experience for such geographic area, including such statistical data by zip code area, shall be available for examination by the commissioner. Differentiation in rates between geographical areas shall not constitute unfair discrimination.

As used in this section, "language" means the inability to speak, read, write, or comprehend the English language.

(b) No admitted insurer, licensed to issue and issuing motor vehicle liability insurance policies as defined in Section 16450 of the Vehicle Code, shall fail or refuse to accept an application for such insurance, refuse to issue such insurance to an applicant therefor, or cancel such insurance solely for the reason that the applicant for such insurance or any insured is employed in a specific occupation.

Nothing in this section shall prohibit an insurer from:

(1) Considering the occupation of the applicant or insured as a condition or risk for which a higher rate or discounted rate may be required or offered for coverage in the course and scope of his or her occupation.

(2) Charging a deviated rate to any classification of risks involving a specific occupation, or grouping thereof, if the rate meets the requirements of Chapter 9 (commencing with Section 1850) of Part 2 of Division 1 and is based upon actuarial data which demonstrates a significant actual historical differential between past losses or expenses attributable to the specific occupation, or grouping thereof, and the past losses or expenses attributable to other classification of risks. For purposes of compiling such actuarial data for a specific occupation or grouping thereof, a person shall be deemed employed in the occupation in which that data is compiled if: (A) the majority of his or her employment during the previous year was in the occupation, or (B) the majority of his or her aggregate earnings for

the immediate preceding three-year period were derived from the occupation, or (C) the person is a member in good standing of a union which is an authorized collective-bargaining agent for persons engaged in the occupation.

Nothing in this section shall be construed to include in the definition of "occupation" active duty service in the Armed Forces of the United States, any status or activity which does not result in remuneration for work done or services performed, or self-employment in a business operated out of an applicant's or insured's place of residence or persons engaged in the renting, leasing, selling, repossessing, rebuilding, wrecking or salvaging of motor vehicles.

(c) Nothing in this section shall limit or restrict the ability of an insurer to refuse to accept an application for or refuse to issue or cancel such insurance for the reason that it is a commercial vehicle or based upon the consideration of a vehicle's size, weight, design or intended use.

(d) It is the intent of the Legislature that actuarial data by occupation may be examined for credibility by the commissioner on the same basis as any other automobile insurance data which he or she is empowered to examine.

(e) The provisions of this section shall be known and may be cited as the "Rosenthal-Robbins Auto Insurance Nondiscrimination Law."

CHAPTER 32

An act to amend Sections 5091, 5093, and 5364 of the Education Code, and to amend Sections 4018, 5156, 10007, 10010, and 23540 of the Elections Code, relating to elections.

[Approved by Governor March 8, 1984. Filed with Secretary of State March 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 5091 of the Education Code is amended to read:

5091. (a) Whenever a vacancy occurs, or whenever a resignation has been filed with the county superintendent of schools containing a deferred effective date, the school district or community college district governing board shall, within 30 days of the vacancy or the filing of the deferred resignation, either order an election or make a provisional appointment to fill the vacancy. A governing board member may not defer the effective date of his or her resignation for more than 30 days after he or she files the resignation with the county superintendent of schools.

In the event that a governing board fails to make a provisional appointment or order an election within the prescribed 30-day

period as required by this section, the county superintendent of schools shall call an election to fill the vacancy.

(b) When an election is ordered, it shall be held on the next regular election date provided pursuant to Chapter 1 (commencing with Section 2500) of Division 4 of the Elections Code not less than 130 days after the occurrence of the vacancy or after the written resignation is filed with the county superintendent of schools.

(c) If a provisional appointment is made within the 30-day period, the registered voters of the district may, within 30 days from the date of the appointment, petition for the conduct of a special election to fill the vacancy. A petition shall be deemed to bear a sufficient number of signatures if signed by at least the number of registered voters of the district equal to 1½ percent of the number of registered voters of the district at the time of the last regular election for governing board members.

The petition shall be submitted to the county superintendent of schools having jurisdiction who shall have 30 days to verify the signatures. If the petition is determined to be legally sufficient by the county superintendent of schools, the provisional appointment is terminated, and the county superintendent of schools shall call a special election to be conducted no later than the 120th day after the determination; provided, however, if a regular election date, as defined in Section 2500 of the Elections Code, occurs between the 120th day and the 150th day following the determination, the county superintendent of schools may call such election to be conducted on the regular election date.

(d) A provisional appointment made pursuant to subdivision (a) confers no powers or duties of a governing board member upon the appointee during the 30-day period following his appointment and within which a petition calling for special election may be filed. If a petition is not filed within the 30-day period, the appointee shall thereafter have all the powers and perform all the duties of a governing board member.

(e) A person appointed to fill a vacancy shall hold office only until the next regularly scheduled election for district governing board members, whereupon an election shall be held to fill the vacancy for the remainder of the unexpired term. A person elected at an election to fill the vacancy shall hold office for the remainder of the term in which the vacancy occurs or will occur.

(f) Whenever a petition calling for a special election is circulated, the petition shall contain the clerk's estimate of the cost of conducting the special election.

No person shall permit the list of names on petitions prescribed by this section to be used for any purpose other than qualification of the petition for the purpose of holding an election pursuant to this section.

The petition filed with the county superintendent of schools shall be subject to the restrictions in Section 6253.5 of the Government Code.

(g) Elections held pursuant to subdivisions (b) and (c) shall be conducted in as nearly the same manner as practicable as other governing board member elections.

SEC. 2. Section 5093 of the Education Code is amended to read:

5093. (a) There shall be no special election or appointment to fill a vacancy on a governing board if the vacancy occurs within four months of the end of the term of that position.

(b) Section 5091 shall not apply to a vacancy on a governing board if the vacancy occurs, or a resignation specifying a deferred effective date is filed with the county superintendent of schools, during the period between six months and 130 days prior to a regularly scheduled governing board election and the position is not scheduled to be filled at such election. In such a case, the position shall be filled at a special election for that position to be consolidated with the regular election. A person elected to fill a position under this subdivision shall take office at the next regularly scheduled meeting of the governing board following the certification of the election and shall serve only until the end of the term of the position which he or she was elected to fill.

(c) If a special election pursuant to Section 5091 could be consolidated with the next regular election for governing board members, and the vacant position is scheduled to be filled at such regular election, there shall be no special election.

SEC. 3. Section 5364 of the Education Code is amended to read:

5364. In the case of any school district or community college district election called or conducted under the provisions of this code, except as hereafter provided in this section, the county clerk, or the registrar of voters if such office has been established, of the county in which the majority of the territory of the district is located, shall, within the same number of days provided in Section 23540 of the Elections Code for the mailing of sample ballots, mail to each registered voter residing within the district, a sample ballot, a notice card designating the polling place and time of the election, an application for an absentee ballot in accordance with the provisions of Section 1006 of the Elections Code, and a notice of the voter's right to an absentee ballot in accordance with the provisions of Section 10017 of the Elections Code.

SEC. 4. Section 4018 of the Elections Code is amended to read:

4018. Whenever any ordinance or measure is required by this article to be submitted to the voters of a city at any election, the clerk of the legislative body shall cause the ordinance or measure to be printed. He or she shall mail a copy of the ordinance or measure with a sample ballot to each voter.

The legislative body may direct that its clerk include in such mailing, as official matter, the provisions of the proposed ordinance or measure, showing therein the difference from existing provisions of law, by the use of distinguishing type styles.

If such ordinance or measure exceeds 1,000 words in length, the local legislative body may direct that a synopsis of the ordinance be

prepared, to be mailed to the voters in lieu of the ordinance. The synopsis shall be prepared by the city attorney unless the ordinance affects the office of the city attorney, in which case the clerk shall prepare the synopsis. Immediately below the synopsis there shall be printed in 10-point bold type a legend substantially as follows:

"The above statement is a synopsis of Ordinance or Measure Number _____ and is not the complete text of such ordinance or measure. If you desire a complete copy of the ordinance or measure, return the enclosed prepaid postcard and a copy will be mailed at no cost to you."

If the clerk, at the direction of the legislative body, mails only a synopsis of an ordinance or measure, the clerk shall enclose a postage-paid postcard which may be used by the voter to request a complete copy of the ordinance or measure which shall be mailed to such voter with postage prepaid.

SEC. 5. Section 5156 of the Elections Code is amended to read:

5156. Whenever any ordinance is required by this article to be submitted to the voters of a district at any election, the clerk of the district board shall cause the ordinance to be printed. He or she shall mail a printed copy of the ordinance with a sample ballot to each voter.

The district board may also direct that its clerk include in such mailing, as official matter, the provisions of the proposed ordinance, showing therein the difference from existing provisions of law, by the use of distinguishing type styles.

If such ordinance exceeds 1,000 words in length, the clerk may, at the direction of the local legislative body, prepare a synopsis of the ordinance and mail such synopsis in lieu of the ordinance, provided that immediately below such synopsis there shall be printed in 10-point bold type a legend substantially as follows:

"The above statement is a synopsis of Ordinance Number _____ and is not the complete text of such ordinance. If you desire a complete copy of the ordinance, return the enclosed prepaid postcard and a copy will be mailed at no cost to you."

If the clerk, at the direction of the legislative body, mails only a synopsis of an ordinance, the clerk shall enclose a postage-paid postcard which may be used by the voter to request a complete copy of the ordinance which shall be mailed to such voter with postage prepaid.

SEC. 6. Section 10007 of the Elections Code is amended to read:

10007. By at least 29 days before the primary, each county clerk shall prepare separate sample ballots for each political party and a separate sample nonpartisan ballot, placing thereon in each case in the order provided in Chapter 2 (commencing with Section 10200) of Division 8 of this code, and under the appropriate title of each office, the names of all candidates for whom nomination papers have been duly filed with him or her or have been certified to him or her by the Secretary of State to be voted for in his or her county at the primary election. The sample ballot shall be identical to the official

ballots, except as otherwise provided by law. The sample ballots shall be printed on paper of a different texture from the paper to be used for the official ballot. One sample ballot of the party to which the voter belongs, as evidenced by his or her registration, shall be mailed to each voter entitled to vote at the primary not more than 40 nor less than 10 days before the election. A nonpartisan sample ballot shall be so mailed to each voter who is not registered as intending to affiliate with any of the parties participating in the primary election.

SEC. 7. Section 10010 of the Elections Code is amended to read:

10010. Each county clerk or, in case of separate city elections, the clerk or secretary of the legislative body of the city, for each election shall cause to be printed, on plain white paper or tinted paper, without watermark, at least as many copies of the form of ballot provided for use in each voting precinct as there are voters in the precinct. These copies shall be designated "sample ballot" upon their face and shall be identical to the official ballots used in the election, except as otherwise provided by law. A sample ballot shall be mailed, postage prepaid, to each voter not more than 40 nor less than 10 days before the election.

The county clerk or clerk or secretary shall send notice of the polling place to each voter with the sample ballot. Only official matter shall be sent out with the sample ballot as provided by law.

SEC. 8. Section 23540 of the Elections Code is amended to read:

23540. The county clerk shall mail a sample ballot, postage prepaid, to each voter not more than 40 or less than 10 days before the general district election. He or she shall also mail a notice or notices enclosed with the sample ballot which notice shall contain all of the following:

(a) The date and hours of the next general district election;

(b) The address of the polling place at which the voter is to vote.

The clerk may mail separate notices for each district participating in the election or consolidate the information for two or more districts in one notice.

SEC. 9. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

CHAPTER 33

An act to amend Sections 81929.5, 81936.5, 90013, 90040, 90048, 92476, and 92481 of, and to repeal Sections 81929, 81936, 90013, 90040, 90048, 92476, and 92481 of, the Education Code, relating to postsecondary education.

[Approved by Governor March 8, 1984. Filed with Secretary of State March 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 81929 of the Education Code is repealed.

SEC. 2. Section 81929.5 of the Education Code is amended to read:

81929.5. (a) Bonds shall bear interest at a rate of not to exceed 12 percent per annum, payable annually or semiannually, or in part annually and in part semiannually.

(b) This section shall remain in effect only until January 1, 1990, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1990, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1990, pursuant to Section 9611 of the Government Code, Section 81929.5 of the Education Code, as added by Section 28 of Chapter 251 of the Statutes of 1982, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 3. Section 81936 of the Education Code is repealed.

SEC. 4. Section 81936.5 of the Education Code is amended to read:

81936.5. (a) Bonds may be sold at either public or private sale. The board may fix terms and conditions for the sale or other disposition of any authorized issue of bonds. The county treasurer, when authorized by resolution of the board, may sell bonds at less than their par or face value, but no bond may be sold at a price below the par or face value thereof which would result in a sale price yielding to the purchaser an average of more than 12 percent per annum, payable semiannually, according to standard tables of bond values.

(b) This section shall remain in effect only until January 1, 1990, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1990, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1990, pursuant to Section 9611 of the Government Code, Section 81936.5 of the Education Code, as added by Section 28 of Chapter 251 of the Statutes of 1982, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 5. Section 90013 of the Education Code, as amended by Section 5 of Chapter 333 of the Statutes of 1981, is repealed.

SEC. 6. Section 90013 of the Education Code, as added by Section 6 of Chapter 333 of the Statutes of 1981, is amended to read:

90013. (a) The board, with the approval of the State Board of Control, may issue revenue bond anticipation notes, in anticipation of the sale of revenue bonds. Before issuing any such notes, the board shall, by resolution approved by the State Board of Control, authorize their issuance, declare the purpose for which the proceeds of the notes shall be expended and specify the maximum amount of notes

to be issued for such purpose.

Revenue bond anticipation notes shall bear interest at such rate or rates as the board may determine, not exceeding 12 percent per annum, payable annually or semiannually, and shall mature on such date or dates as the board may determine and set forth in the resolution authorizing their issuance, but not more than three years from their date.

The proceeds from the sale of notes shall be used only for the purposes for which the proceeds of the sale of bonds may be used in anticipation whereof the notes are issued.

All notes issued, including renewal notes, and the interest thereon shall be payable from the proceeds of the sale of the bonds, the revenues of the project, any appropriations made for that purpose or all such sources, and not otherwise, except that in the event that the sale of the bonds shall not have occurred prior to the maturity of the notes issued in anticipation thereof, the board, with the approval of the State Board of Control, may issue renewal notes in order to pay the notes then maturing. No renewal notes shall be issued after the sale of the bonds in anticipation of which the original note was issued.

Revenue bond anticipation notes may be secured by a pledge of, and lien upon, the proceeds of the sale of bonds, the revenues of the project, and any other legally available funds.

A resolution authorizing the issuance of revenue bond anticipation notes may include such provisions as the board deems necessary or advisable for the security of the notes issued thereunder, and may include any and all provisions authorized to be included in indentures by this article.

(b) This section shall remain in effect only until January 1, 1990, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1990, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1990, pursuant to Section 9611 of the Government Code, Section 90013 of the Education Code, as added by Section 6 of Chapter 333 of the Statutes of 1981, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 7. Section 90040 of the Education Code, as amended by Section 7 of Chapter 333 of the Statutes of 1981, is repealed.

SEC. 8. Section 90040 of the Education Code, as added by Section 8 of Chapter 333 of the Statutes of 1981, is amended to read:

90040. (a) Bonds shall bear interest at a rate of not to exceed 12 percent per annum, payable annually or semiannually, or in part annually and in part semiannually.

(b) This section shall remain in effect only until January 1, 1990, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1990, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1990, pursuant to Section 9611 of the Government Code, Section 90040 of the Education Code, as added by Section 8 of Chapter 333 of the Statutes of 1981, shall have the same force and effect as if this

temporary provision had not been enacted.

SEC. 9. Section 90048 of the Education Code, as amended by Section 9 of Chapter 333 of the Statutes of 1981, is repealed.

SEC. 10. Section 90048 of the Education Code, as added by Section 10 of Chapter 333 of the Statutes of 1981, is amended to read:

90048. (a) Bonds and notes may be sold at either public or private sale. The board, with the approval of the State Board of Control, may fix terms and conditions for the sale or other disposition of any authorized issue of bonds or notes. The Treasurer, when authorized by resolution of the board approved by the State Board of Control, may sell bonds and notes at less than their par or face value, but no bond or note may be sold at a price below the par or face value thereof which would result in a sale price yielding to the purchaser an average of more than 12 percent per annum, payable semiannually, according to standard tables of bond values.

(b) This section shall remain in effect only until January 1, 1990, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1990, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1990, pursuant to Section 9611 of the Government Code, Section 90048 of the Education Code, as added by Section 10 of Chapter 333 of the Statutes of 1981, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 11. Section 92476 of the Education Code, as amended by Section 11 of Chapter 333 of the Statutes of 1981, is repealed.

SEC. 12. Section 92476 of the Education Code, as added by Section 12 of Chapter 333 of the Statutes of 1981, is amended to read:

92476. (a) Bonds shall bear interest at a rate of not to exceed 12 percent per annum, payable annually or semiannually, or in part annually and in part semiannually.

(b) This section shall remain in effect only until January 1, 1990, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1990, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1990, pursuant to Section 9611 of the Government Code, Section 92476 of the Education Code, as added by Section 12 of Chapter 333 of the Statutes of 1981, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 13. Section 92481 of the Education Code, as amended by Section 13 of Chapter 333 of the Statutes of 1981, is repealed.

SEC. 14. Section 92481 of the Education Code, as added by Section 14 of Chapter 333 of the Statutes of 1981, is amended to read:

92481. (a) Bonds may be sold at either public or private sale. The regents may fix terms and conditions for the sale or other disposition of any authorized issue of bonds. The regents may sell bonds at less than their par or face value, but no bond may be sold at a price below the par or face value of the bond which would result in a sale price yielding to the purchaser an average of more than 12 percent per annum, payable semiannually, according to standard tables of bond

values.

(b) This section shall remain in effect only until January 1, 1990, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1990, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1990, pursuant to Section 9611 of the Government Code, Section 92481 of the Education Code, as added by Section 14 of Chapter 333 of the Statutes of 1981, shall have the same force and effect as if this temporary provision had not been enacted.

CHAPTER 34

An act to amend Sections 12816 and 14900 of the Vehicle Code, relating to drivers' licenses.

[Approved by Governor March 8, 1984. Filed with Secretary of State March 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 12816 of the Vehicle Code is amended to read:

12816. (a) Every original driver's license expires on the fourth birthday of the applicant following the date of the application for the license.

(b) Renewal of a driver's license shall be made for a term which expires on the fourth birthday of the applicant following the expiration of the license renewed, if application for renewal is made within six months prior to the expiration of the license to be renewed, or within 90 days after expiration of the license. If renewal is not applied for within 90 days after expiration of the license, the application and fee is considered the same as an application for an original license.

(c) The department may accept application for a renewal of a driver's license made more than six months prior to the date of expiration. The renewal shall be made for a term which expires on the fourth birthday of the applicant following the date of the application for the renewal license.

(d) The department may accept an application for a license of a different class made more than six months before the expiration of the license previously issued, if the previously issued license is surrendered for cancellation in accordance with Section 13100. The driver's license issued from that application expires on the fourth birthday of the applicant following the date of the application.

SEC. 2. Section 14900 of the Vehicle Code is amended to read:

14900. (a) Upon application for an original driver's license, or for the renewal of a driver's license or for a license to operate a different class of vehicle, there shall be paid the department a fee of ten dollars

($10). The payment of the fee entitles the person paying the fee to make application for a driver's license and to three examinations within a period of 12 months or during the period of an instruction permit issued from the application as provided in Section 12509.

The term "driver's license", as used in this section, includes all licenses of every kind issued under Division 6 (commencing with Section 12500).

(b) Any person who, by reason of physical disabilities, is unable to move about as a pedestrian is exempt from the fee provided in this section, but only in the event the license issued to that person restricts that person to the operation of a self-propelled wheelchair or invalid tricycle.

SEC. 3. This act shall become operative on July 1, 1985.

CHAPTER 35

An act to amend Section 851.5 of, and to add Section 4030 to, the Penal Code, and to add Section 40304.5 to the Vehicle Code, relating to criminal law, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 8, 1984. Filed with Secretary of State March 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 851.5 of the Penal Code is amended to read:

851.5. (a) Immediately upon being booked, and, except where physically impossible, no later than three hours after arrest, an arrested person has the right to make at least three completed telephone calls, as described in subdivision (b).

The arrested person shall be entitled to make at least three such calls at no expense if the calls are completed to telephone numbers within the local calling area.

(b) At any police facility or place where an arrestee is detained, a sign containing the following information in bold block type shall be posted in a conspicuous place:

That the arrestee has the right to free telephone calls within the local dialing area, or at his own expense if outside the local area, to three of the following:

(1) An attorney of his choice or, if he has no funds, the public defender or other attorney assigned by the court to assist indigents, whose telephone number shall be posted. This phone call shall not be monitored, eavesdropped upon, or recorded.

(2) A bail bondsman.

(3) A relative or other person.

(c) These telephone calls shall be given immediately upon request, or as soon as practicable.

(d) This provision shall not abrogate a law enforcement officer's duty to advise a suspect of his right to counsel or of any other right.

(e) Any public officer or employee who willfully deprives an arrested person of any right granted by this section is guilty of a misdemeanor.

SEC. 2. Section 4030 is added to the Penal Code, to read:

4030. (a) The Legislature finds and declares that law enforcement policies and practices for conducting strip or body cavity searches of detained persons vary widely throughout California. Consequently, some people have been arbitrarily subjected to unnecessary strip and body cavity searches after arrests for minor misdemeanor and infraction offenses. Some present search practices violate state and federal constitutional rights to privacy and freedom from unreasonable searches and seizures.

It is the intent of the Legislature in enacting this section to protect the state and federal constitutional rights of the people of California by establishing a statewide policy strictly limiting strip and body cavity searches.

(b) The provisions of this section shall apply only to prearraignment detainees arrested for infraction or misdemeanor offenses and to any minor detained prior to a detention hearing on the grounds that he or she is a person described in Section 300, 601, or 602 of the Welfare and Institutions Code alleged to have committed a misdemeanor or infraction offense. The provisions of this section shall not apply to any person in the custody of the Director of the Department of Corrections or the Director of the Youth Authority.

(c) As used in this section, "strip search" means a search which requires a person to remove or arrange some or all of his or her clothing so as to permit a visual inspection of the underclothing, breasts, buttocks, or genitalia of such person.

(d) As used in this section:

(1) "Body cavity" only means the stomach or rectal cavity of a person, and vagina of a female person.

(2) "Visual body cavity search" means visual inspection of a body cavity.

(3) "Physical body cavity search" means physical intrusion into a body cavity for the purpose of discovering any object concealed in the body cavity.

(e) Notwithstanding any other provision of law, including Section 40304.5 of the Vehicle Code, when a person is arrested and taken into custody, that person may be subjected to patdown searches, metal detector searches, and thorough clothing searches in order to discover and retrieve concealed weapons and contraband substances prior to being placed in a booking cell.

(f) No person arrested and held in custody on a misdemeanor or infraction offense, except those involving weapons, controlled substances or violence nor any minor detained prior to a detention hearing on the grounds that he or she is a person described in Section

300, 601 or 602 of the Welfare and Institutions Code, except for those minors alleged to have committed felonies or offenses involving weapons, controlled substances or violence, shall be subjected to a strip search or visual body cavity search prior to placement in the general jail population, unless a peace officer has determined there is reasonable suspicion based on specific and articulable facts to believe such person is concealing a weapon or contraband, and a strip search will result in the discovery of the weapon or contraband. No strip search or visual body cavity search or both may be conducted without the prior written authorization of the supervising officer on duty. The authorization shall include the specific and articulable facts and circumstances upon which the reasonable suspicion determination was made by the supervisor.

(g) (1) Except pursuant to the provisions of paragraph (2), no person arrested and held in custody on a misdemeanor or infraction offense not involving weapons, controlled substances or violence, shall be confined in the general jail population unless all of the following are true:

(i) The person is not cited and released.

(ii) The person is not released on his or her own recognizance pursuant to Article 9 (commencing with Section 1318) of Chapter 1 of Title 10 of Part 2.

(iii) The person is not able to post bail within a reasonable time not less than three hours.

(2) No person may be housed in the general jail population prior to release pursuant to the provisions of paragraph (1) unless a documented emergency exists and there is no reasonable alternative to such placement. Such person shall be placed in the general population only upon prior written authorization documenting the specific facts and circumstances of the emergency. The written authorization shall be signed by the uniformed supervisor of the facility or by a uniformed watch commander. Any person confined in the general jail population pursuant to paragraph (1) shall retain all rights to release on citation, his or her own recognizance, or bail which were preempted as a consequence of the emergency.

(h) No person arrested on a misdemeanor or infraction offense, nor any minor described in subdivision (b), shall be subjected to a physical body cavity search except under the authority of a search warrant issued by a magistrate specifically authorizing the physical body cavity search.

(i) A copy of the prior written authorization required by subdivisions (f) and (g) and the search warrant required by subdivision (h) shall be placed in the agency's records and made available, on request, to the person searched or his or her authorized representative. With regard to any strip, visual or body search, the time, date and place of the search, the name and sex of the person conducting the search and a statement of the results of the search, including a list of any items removed from the person searched, shall be recorded in the agency's records and made available, upon

request, to the person searched or his or her authorized representative.

(j) Persons conducting a strip search or a visual body cavity search shall not touch the breasts, buttocks, or genitalia of the person being searched.

(k) A physical body cavity search shall be conducted under sanitary conditions, and only by a physician, nurse practitioner, registered nurse, licensed vocational nurse or emergency medical technician Level II licensed to practice in this state. Any physician engaged in providing health care to detainees and inmates of the facility may conduct physical body cavity searches.

(*l*) All persons conducting or otherwise present during a strip search or visual or physical body cavity search shall be of the same sex as the person being searched, except for physicians or licensed medical personnel.

(m) All strip, visual and physical body cavity searches shall be conducted in an area of privacy so that the search cannot be observed by persons not participating in the search. Persons are considered to be participating in the search if their official duties relative to search procedure require them to be present at the time the search is conducted.

(n) A person who knowingly and willfully authorizes or conducts a strip, visual or physical body cavity search in violation of this section is guilty of a misdemeanor.

(o) Nothing in this section shall be construed as limiting any common law or statutory rights of any person regarding any action for damages or injunctive relief, or as precluding the prosecution under another provision of law of any peace officer or other person who has violated this section.

(p) Any person who suffers damage or harm as a result of a violation of this section may bring a civil action to recover actual damages, or one thousand dollars ($1,000), whichever is greater. In addition, the court may, in its discretion, award punitive damages, equitable relief as it deems necessary and proper, and costs, including reasonable attorney's fees.

SEC. 3. Section 40304.5 is added to the Vehicle Code, to read:

40304.5. Notwithstanding any other provision of law, whenever any person is taken into custody for bail to be collected on two or fewer outstanding warrants for failure to appear on a citation for a parking offense or a traffic infraction, the person shall be provided the opportunity immediately to post bail, and shall not be booked, photographed, or fingerprinted, nor shall an arrest record be made, when the amount of bail required to be paid on the warrant may be ascertained by reference to the face thereof or to a fixed schedule of bail, unless and until all of the following requirements have been exhausted:

(a) If the person has sufficient cash in his or her possession, that person shall be given the opportunity immediately to post bail with the person in charge of the jail or his or her designee.

(b) If the person does not have sufficient cash in his or her possession, that person shall be informed of his or her rights and given the opportunity to do all of the following:

(1) Make not less than three completed telephone calls to obtain bail. The person shall be permitted the use of the police or sheriff's department telephone to make not less than three completed local or collect long-distance telephone calls to obtain bail.

(2) Have not less than three hours in which to arrange for the deposit of bail.

SEC. 4. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 5. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the Legislature finds and declares that there are savings as well as costs in this act which, in the aggregate, do not result in additional net costs.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to protect citizens from indiscriminate, unnecessary strip searches at the earliest possible time, it is necessary that this act take effect immediately.

SEC. 7. This act shall become operative March 31, 1984.

CHAPTER 36

An act to add Article 3.5 (commencing with Section 46150) to Chapter 2 of Part 26 of the Education Code, relating to the State High School Attendance Awards.

[Approved by Governor March 12, 1984. Filed with Secretary of State March 14, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Article 3.5 (commencing with Section 46150) is added to Chapter 2 of Part 26 of the Education Code, to read:

Article 3.5. State High School Attendance Awards

46150. It is the intent of the Legislature that efforts by high school faculty, staff, and students to improve student attendance at their schools be recognized. It is also the intent of the Legislature that this recognition shall be provided through a state high school attendance awards program, if feasible.

46151. On or before February 1, 1985, the Superintendent of Public Instruction shall report to the Legislature regarding the feasibility of establishing a state high school attendance awards program to be operated by the State Department of Education. For purposes of the feasibility study, the proposed program shall include all of the following elements:

(a) School districts which maintain two or more high schools shall be eligible to participate on a voluntary basis.

(b) Commencing in the 1985–86 school year, the high school in each participating district which attains the largest increase in attendance from one year to the next shall receive an award certificate.

(c) Recognition shall also be provided for those high schools which currently maintain high attendance levels.

CHAPTER 37

An act to amend Sections 5002.45 and 5008 of the Public Resources Code, to amend Section 6 of Chapter 1234 of the Statutes of 1980, to amend and supplement the Budget Act of 1981 by adding Section 8.40 thereto, and to amend and supplement the Budget Act of 1983 by adding Items 3790-302-392, 3790-302-721, 3790-496-392, and 3790-496-721 thereto, relating to parks and recreation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 12, 1984. Filed with Secretary of State March 14, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 5002.45 of the Public Resources Code is amended to read:

5002.45. (a) Notwithstanding any other provision of this article, upon completion of the land transfer authorized in Section 6 of Chapter 1234 of the Statutes of 1980, the department shall prepare a general plan or revise any existing general plan, as the case may be, for the Sinkyone Wilderness State Park. The plan shall also include the leased property described in paragraph (2) of subdivision (c) of Section 6 of that chapter.

(b) The general plan shall be as provided in Section 5002.2 and

shall also include all of the following:

(1) Provision for a system of recreational trails connected one to another and to other recreational trails in the region.

(2) Provision for a system of nonmotorized transportation, at least for those unable to hike long distances because of age or disability. The department may contract for a privately owned and operated system of horse-drawn carriages to be operated at no cost to the state in order to provide this nonmotorized transportation.

(3) Provision for parking of motor vehicles at Usal and Low Gap or elsewhere at the perimeter of or near the Sinkyone Wilderness State Park. This may include patrolled parking areas on the perimeter of or near the park or parking lots in nearby communities with shuttle buses to the wilderness area, or both; in any case, the department may charge fees not to exceed its actual costs.

(4) Provision for sportfishing. In addition, notwithstanding any other provision of law, the commission may consider and authorize as a part of the plan continuation of and regulation of hunting on the limited basis traditional to the area, to the extent it does not endanger human health or safety.

(5) Provision for the continuation and renewal of road easements which existed on January 1, 1980, across the park, to the extent that the roads are necessary to provide access to neighboring property.

(6) Provision for the maintenance and use of the existing structure known as Needle Rock House as a visitor-serving or interpretive facility or another use compatible with the preservation of the wilderness environment.

(7) Provision for any restrictions on the use of existing county roads within the park, which restrictions may be necessary to protect human health or safety, natural resources, or wilderness values of the park; and provision for posting of signs on those roads to notify persons of road conditions.

(c) The department, in preparing or revising the general plan, shall hold at least one public hearing in each of Mendocino and Humboldt Counties.

(d) The State Park and Recreation Commission shall conduct at least one public hearing at a location within a 100-mile radius of the park to consider approval of the department's general plan. Notice of the hearing, the availability of copies of the department's general plan, and the conduct of the hearing shall be in accordance with Section 5002.3.

(e) The State Park and Recreation Commission shall evaluate the compatibility of continued use of existing roads with the proposed uses of the park in the general plan adopted by the commission pursuant to this section. However, no county road shall be closed except with the concurrence of the board of supervisors of the county in which it is located.

SEC. 2. Section 5008 of the Public Resources Code is amended to read:

5008. (a) The department shall protect the state park system

from damage and preserve the peace therein.

(b) The director may designate any officer or employee of the department a peace officer for the state park system. The primary duties of the peace officer shall be the enforcement of the rules and regulations of the department, the provisions of Chapter 5 (commencing with Section 650) of Division 3 of the Harbors and Navigation Code, the rules and regulations of the Department of Boating and Waterways, and the provisions of Chapter 2 (commencing with Section 9850) of Division 3.5 of the Vehicle Code, and to arrest persons for the commission of public offenses within the state park system. The authority and powers of the peace officer shall be limited to those conferred by law upon peace officers listed in Section 830.2 of the Penal Code.

(c) The department shall protect property included in the California recreational trail system and the property included in the recreational trail system under Section 6 of Chapter 1234 of the Statutes of 1980 from damage and preserve the peace therein. The primary duties of any officer or employee designated a peace officer under this section shall include enforcement of the rules and regulations established by the department under subdivision (*l*) of Section 6 of Chapter 1234 of the Statutes of 1980 and the arrest of persons for the commission of public offenses within the property included in the recreational trail system under Section 6 of Chapter 1234 of the Statutes of 1980.

(d) Any person who violates the rules and regulations established by the department is guilty of a misdemeanor and upon conviction shall be punished by imprisonment in the county jail not exceeding 90 days, or by a fine not exceeding one thousand dollars ($1,000), or by both that fine and imprisonment, except that at the time a particular action is commenced, the judge may, considering the recommendation of the prosecuting attorney, reduce the charged offense from a misdemeanor to an infraction. Any person convicted of the offense after such a reduction shall be punished by a fine of not less than ten dollars ($10) nor more than one thousand dollars ($1,000).

SEC. 3. Section 6 of Chapter 1234 of the Statutes of 1980 is amended to read:

Sec. 6. (a) The Director of General Services, with the approval of the State Public Works Board, the Director of Parks and Recreation, and the State Park and Recreation Commission, is hereby authorized to exchange, for current market value and upon terms and conditions and with reservations and exceptions that, in his or her opinion, may be for the best interest of the state, all or any part of the real property described in subdivision (b) which is under the jurisdiction of the Department of Parks and Recreation for a transfer to the state of all right, title, and interest in and to real property in private ownership described in paragraph (1) of subdivision (c), and, concurrently with that exchange and transfer, the Director of General Services shall, subject to the approval of the

Director of Parks and Recreation, lease the property described in paragraph (2) of subdivision (c). The exchange and transfer shall be void and unenforceable unless the lease of the property described in paragraph (2) of subdivision (c) is entered into. The property described in paragraph (1) of subdivision (c) shall be transferred to the state as an addition to Sinkyone Wilderness State Park. The leased property described in paragraph (2) of subdivision (c) shall be transferred as an addition to and managed in accordance with the California Recreational Trails Act (Article 6 (commencing with Section 5070) of Chapter 1 of Division 5 of the Public Resources Code), except as provided in this section or the agreement whereby the lease interest is obtained. The State Park and Recreation Commission shall not approve the exchange unless and until, subsequent to the hearing conducted pursuant to subdivision (f), it holds a public hearing on the approval at a location within a 100-mile radius of the Sinkyone Wilderness State Park. Notice of the hearing and conduct of the hearing shall be in accordance with Section 5002.3. Prior to approving any agreement pursuant to this section, the State Public Works Board shall certify that each of the requirements of this section has been met.

(b) That portion of the Reynolds Wayside Campground lying west of the center of the South Fork Eel River, lying in Section 7, T24N, R17W, M.D.B. & M.

(c) (1) Those portions of the Northeast Quarter, Section 25, and the south half of the Southeast Quarter, Section 24, T24N, R19W, M.D.B. & M., lying south and west of the dividing ridges between the slopes above the Pacific Ocean and the North Fork of Jackass Creek.

(2) A corridor of land in Mendocino County for use as a coastal recreational trail from Usal to Sinkyone Wilderness State Park, which shall include a staging area at the trailhead and a camping area at Jackass Creek (also known as Wolf Creek), and any other camping areas which may be necessary or desirable, and which land shall include the stand of old-growth timber on the west side of the North Fork of Jackass Creek approximately one-quarter mile north of the junction of the north and south forks of Jackass Creek. The easternmost boundary of the corridor shall be at least 50 feet from the initial trail alignment except where the trail is on existing logging roads at Dark Gulch, Northport Gulch, and Jackass Creek.

(d) The Department of Parks and Recreation and any private landowner participating in a transfer of property under this section shall share, on a 50-50 basis, the costs of obtaining appraisals, land surveys, and other expenses necessary for the transfer. Any roads which define the boundaries of property exchanged shall be for the mutual use of the state and the private landowner.

(e) The Department of Parks and Recreation and the State Park and Recreation Commission shall plan, and the department shall operate and manage the leased property described in paragraph (2) of subdivision (c) in conjunction with Sinkyone Wilderness State Park using department personnel and equipment, but the property

shall not become or be considered as a part of the state park system as long as the agreement is in effect unless and until the property is acquired by the state as provided in subdivision (k).

(f) After appraisals have been made of the property which is the subject of the proposed exchange, excluding the interest in the property described in paragraph (2) of subdivision (c), and the appraisals have been made available to the owners of the property, the Department of Parks and Recreation shall hold a public hearing to consider any and all aspects of the proposed exchange. The hearing shall be at a location within a 100-mile radius of the Sinkyone Wilderness State Park and notice of and the conduct of the hearing shall be in accordance with Section 5002.3 of the Public Resources Code.

(g) The Legislature hereby finds and declares all of the following:

(1) That the property which would be received by the state in the exchange authorized by this section would be of a natural resource or recreational benefit to the state which would be equal or greater than the present benefit to the state of the lands which would be transferred to private ownership.

(2) That the exchange of property under this section serves the public interest (A) by expanding Sinkyone Wilderness State Park to protect the wilderness environment, including virgin timber, riparian habitat, fish and wildlife, recreational opportunities, and aesthetic values, (B) by encouraging prudent and responsible management of private forest lands to help meet the public's need for timber and other forest products, and (C) by providing for rational and natural boundaries between public wilderness and parklands and private forest lands.

(3) It is the intent of the Legislature that the Department of Parks and Recreation, the Department of General Services, and the State Public Works Board expeditiously accomplish the property exchange authorized by this section within 270 days from the effective date of the act amending this section at the 1984 Regular Session of the Legislature.

(4) It is the intent of the Legislature to authorize an agreement to provide opportunities for the public to enjoy the natural, scenic, archaeological, and scientific values and nature study uses of this area via nonmotorized recreational access.

(h) Notwithstanding any other provision of law, including, but not limited to, Sections 715 and 715.2 of the Civil Code or any provision fixing the maximum term of any agreement, any agreement pursuant to this section whereby the state obtains an interest in the property described in paragraph (2) of subdivision (c) shall include both of the following provisions:

(1) The state has a perpetual right to use and enjoy its interest in the property, subject to renewal by the state by the exercise of an option to renew, and compliance by the state with the other terms and conditions of the agreement.

(2) Each successive renewal also shall include an option for the

state to renew for an additional 20 years, but otherwise on the same terms and conditions as the initial period of the agreement, except for any terms and conditions required to be carried out only once and that were carried out during the initial period of the agreement.

(i) In addition, the agreement specified in subdivision (h) shall include all of the following provisions:

(1) Except improvements required as a condition to the agreement during the initial period, rent shall not exceed one dollar ($1) per year.

(2) Irrespective of the prohibition made by this section against certain activities taking place on the property, the property shall remain in a timber production zone pursuant to the California Timberland Productivity Act of 1982 (Chapter 6.7 (commencing with Section 51100) of Part 1 of Division 1 of Title 5 of the Government Code) or subject to a contract under the Williamson Act (Chapter 7 (commencing with Section 51200) of Part 1 of Division 1 of Title 5 of the Government Code).

(3) No timber harvesting or new road construction shall take place on the property, except for the salvage of dead, dying, damaged, or infested timber in commercial timber stands that results from wildfire, substantial windfall, or epidemics of insects and disease. Prior to the state entering into an agreement, the Department of Parks and Recreation shall obtain a report from the Department of Forestry describing timber stand conditions within the boundaries of the property described in paragraph (2) of subdivision (c) and may use the report for evaluation of salvage timber operations proposed by the owner of the timber. Only those commercial timber stands identified in the report shall be eligible for salvage as specified in this section. Prior to any salvage operation, the owner of the timber to be salvaged shall (A) obtain all necessary approvals pursuant to the Z'berg-Nejedly Forest Practice Act of 1973 (Chapter 8 (commencing with Section 4511) of Part 2 of Division 4 of the Public Resources Code) and any other applicable laws, (B) make in the timber harvesting plan or exempt notice adequate provisions for slash cleanup and fire hazard reduction, revegetation or reforestation and erosion control, and (C) submit a copy of the timber harvesting plan or exempt notice, accompanied by a plan for ensuring the safety of persons using the trail and for the restoration or repair, or both, of hiking trails and camping areas, to the Department of Parks and Recreation for its review and comment not later than the time the owner submits the plan or notice to any other state or local agency, but in no event later than 15 days before any timber harvesting activities commence. In addition, except as expressly provided in this paragraph with respect to timber harvesting, subdivision (j) of Section 5075.3 of the Public Resources Code shall be applicable only to the property outside the boundaries of the property described in paragraph (2) of subdivision (c) and shall not be applicable inside boundaries of the property described in paragraph (2) of subdivision (c), and the commercial exploitation

of any other resource shall be prohibited on the property described in paragraph (2) of subdivision (c).

(4) The agreement shall not be construed as establishing in the state any fee interest in the property.

(5) A map prepared by the Department of Parks and Recreation, which is identified as Drawing No. 17846.

(6) A record of survey and legal description of the final boundary, which shall be prepared by a licensed surveyor, shall be completed not later than when trail construction is complete, and shall be filed with the Recorder of the County of Mendocino, at which time it shall be deemed incorporated into the agreement.

(7) There shall be no use of motorized vehicles on or across the trail; except that the lessor may use motorized vehicles in connection with timber operations or land management activities conducted by the lessor where the trail is on existing logging roads at Dark Gulch, Northport Gulch, and Jackass Creek, and in the event of an emergency, Department of Parks and Recreation personnel may use motorized vehicles if necessary to assist in the preservation of public health and safety; and except as provided for a salvage operation pursuant to paragraph (3).

(j) If the state enters into an agreement as described in subdivisions (h) and (i), the Director of General Services shall (1) renew the agreement upon expiration of each successive lease period in accordance with the terms and conditions of the agreement, (2) pay the rent from funds available for that purpose in accordance with the terms and conditions of the agreement, and (3) take whatever other lawful and proper actions he or she is required by terms and conditions of the agreement and this section to take to ensure that the agreement remains in effect.

(k) It is the intent of the Legislature that the Department of Parks and Recreation acquire, as an addition to Sinkyone Wilderness State Park, any land within or in the vicinity of the property described in paragraph (2) of subdivision (c), including rights for public nonmotorized lateral access between the Usal Road and the coastal recreational trail, that is or becomes available from a willing seller. Acquisition may be by purchase, using funds authorized by law to be expended for the acquisition, donation, dedication, or by exchange for lands authorized by law to be exchanged. Appraisals of all property to be acquired shall be made prior to acquisition by the state.

The state shall not enter into an agreement if any timber harvesting takes place on the property described in paragraph (2) of subdivision (c) between September 1, 1983, and the effective date of the agreement, except that this prohibition shall not apply on and after the 271st day after the effective date of the act amending this section at the 1984 Regular Session of the Legislature.

(*l*) The Department of Parks and Recreation may establish rules and regulations not inconsistent with law in order to protect the leased property described in paragraph (2) of subdivision (c). The

rules and regulations established by the Department of Parks and Recreation under this subdivision for the purposes of Section 5008 of the Public Resources Code shall be enforced as provided in that section.

(m) All use requirements and restrictions authorized pursuant to this section on leased property described in paragraph (2) of subdivision (c) shall be deemed compatible with the growing and harvesting of timber pursuant to the California Timberland Productivity Act of 1982 (Chapter 6.7 (commencing with Section 51100) of Part 1 of Division 1 of Title 5 of the Government Code); and, in particular, the coastal recreational trail, trailhead staging area, and all campgrounds contemplated by this section are all compatible uses for all purposes of that act. In addition, notwithstanding any other provision of law or any ordinance, rule, or regulation, all conduct contemplated by this section or the agreement shall be deemed to satisfy the requirements of the California Timberland Productivity Act. A city or county shall not bring an action pursuant to Section 51116 of the Government Code with respect to use requirements and restrictions authorized pursuant to this section on the leased land so long as the agreement is in effect.

SEC. 4. Section 8.40 is added to the Budget Act of 1981 (Chapter 99, Statutes of 1981), to read:

Sec. 8.40. Notwithstanding any other provision of law, Provision 8 of the provisions applicable to Items 379-301-036 through 379-301-742 is null and void and shall have no force or effect; and, instead, funds available to complete any land exchange relating to the Sinkyone Wilderness approved by the State Park and Recreation Commission pursuant to subdivision (a) of Section 6 of Chapter 1234 of the Statutes of 1980 are hereby reappropriated to the Department of Parks and Recreation for expenditure for the following purposes, and shall be available for encumbrance until June 30, 1986:

(a) Acquisition of critical areas described in paragraph (1) of subdivision (c) of Section 6 of Chapter 1234 of the Statutes of 1980.

(b) Acquisition of the Whale Gulch inholding, consisting of approximately 60 acres and described in Mendocino County Parcel Map Assessor's Parcel No. 52-050-07, Lots 6, 7, and 8.

(c) Acquisition of any lands pursuant to subdivision (k) of Section 6 of Chapter 1234 of the Statutes of 1980.

(d) Acquisition of any lands anywhere in the state that are suitable for subsequent exchange for other lands as additions to, or in the vicinity of, the Sinkyone Wilderness State Park.

Provided, however, that no acquisition shall be made pursuant to subdivision (b) or (c) of this provision unless it has been approved by the State Park and Recreation Commission.

Provided, further, that this section shall not be construed as authorizing the exercise of the powers of eminent domain for any acquisition authorized by this section.

On or before September 30, 1984, the department shall report to

the Chairman of the Joint Legislative Budget Committee, the Senate Committee on Natural Resources and Wildlife, and the Assembly Committee on Water, Parks, and Wildlife on its progress in implementing this section.

SEC. 5. Item 3790-302-392 is added to the Budget Act of 1983 (Chapter 324, Statutes of 1983), to read:

3790-302-392—For capital outlay, Department of Parks and Recreation, payable from the State Parks and Recreation Fund 112,000
Schedule:
(a) Sinkyone trail corridor—trail camps and trail construction 112,000

SEC. 6. Item 3790-302-721 is added to the Budget Act of 1983 (Chapter 324, Statutes of 1983), to read:

PARKLANDS ACQUISITION AND DEVELOPMENT PROGRAM

3790-302-721—For capital outlay, Department of Parks and Recreation, payable from the Parklands Fund of 1980 112,000
Schedule:
(a) Pismo SB—construct seawall repairs and improvements 112,000

SEC. 7. Item 3790-496-392 is added to the Budget Act of 1983 (Chapter 324, Statutes of 1983), to read:

3790-496-392—Reversion, Department of Parks and Recreation. As of the effective date of this act, the following appropriations shall revert to the unappropriated balance of the State Parks and Recreation Fund:
(a) $112,000 of the appropriation provided in Item 3790-301-392(o), Budget Act of 1983, Pismo SB—construct seawall repairs and improvements.

SEC. 8. Item 3790-496-721 is added to the Budget Act of 1983 (Chapter 324, Statutes of 1983), to read:

3790-496-721—Reversion, Department of Parks and Recreation. As of the effective date of this act, the following appropriations shall revert to the unappropriated balance of the Parklands Fund of 1980:

(a) $112,000 of the appropriation provided in Item 3790-301-721(k), Budget Act of 1983, Sinkyone Wilderness S.P.—trail camps and trail construction.

SEC. 9. (a) The Legislature finds and declares that the Redwood Empire (Del Norte, Humboldt, Mendocino, and Sonoma Counties) is an economically depressed area with an abundance of unemployed persons with the skills necessary to carry out state park development projects in the region.

(b) Whenever any park development project in the Redwood Empire requires labor beyond what could be performed by the employees of the Department of Parks and Recreation, the department shall hire or contract with residents of the region to perform the additional work to the extent it does not increase costs or conflict with any provision of law.

SEC. 10. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the projects affecting the Sinkyone Wilderness and trail corridor may be initiated at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 38

An act to add Sections 17557 and 24680 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor March 15, 1984 Filed with Secretary of State March 15, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 17557 is added to the Revenue and Taxation Code, to read:

17557. (a) A taxpayer may elect not to be treated as having realized income when a commodity is received under a 1983 payment-in-kind program as defined in Public Law 98-4.

(b) If an election is made pursuant to subdivision (a):

(1) The commodity shall be treated as if it were produced by the taxpayer.

(2) The unadjusted basis of the commodity in the hands of the taxpayer shall be zero.

(c) This section is limited to commodities for which taxpayers

have received a federal income tax deferral under Public Law 98-4.

(d) An election is made under this section by reporting or not reporting the income in the year the commodity is received. The election shall be irrevocable after June 30, 1984.

SEC. 2. Section 24680 is added to the Revenue and Taxation Code, to read:

24680. (a) A taxpayer may elect not to be treated as having realized income when a commodity is received under a 1983 payment-in-kind program as defined in Public Law 98-4.

(b) If an election is made pursuant to subdivision (a):

(1) The commodity shall be treated as if it were produced by the taxpayer.

(2) The unadjusted basis of the commodity in the hands of the taxpayer shall be zero.

(c) This section is limited to commodities for which taxpayers have received a federal income tax deferral under Public Law 98-4.

(d) An election is made under this section by reporting or not reporting the income in the year the commodity is received. The election shall be irrevocable after June 30, 1984.

SEC. 3. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect. However, the provisions of this act shall be applied in the computation of taxes under the Personal Income Tax Law for taxable years beginning on or after January 1, 1983, and under the Bank and Corporation Tax Law for income years beginning on or after January 1, 1983.

CHAPTER 39

An act to amend Section 12257 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 18, 1984 Filed with Secretary of State March 19, 1984]

The people of the State of California do enact as follows:

SECTION 1 Section 12257 of the Revenue and Taxation Code is amended to read:

12257. If the total amount of prepayments for any calendar year exceeds the amount of annual tax for that year, the excess shall be treated as an overpayment of annual tax and, at the election of the insurer, may be credited against the amounts due and payable for the first prepayment of the following year. Any amount of the overpayment not so credited shall be allowed as a credit or refund under Article 2 (commencing with Section 12977) of Chapter 7 of this part.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

By April 1, 1984, insurers will be required to remit to the state a prepayment of insurance tax equal to 25 percent of the insurance tax reported for 1983. Because insurers were required in 1983 to make prepayments equivalent to 125 percent of their reported tax for 1982, it is anticipated that 800 to 900 insurers will have overpaid their annual tax for 1983 by a total of several million dollars. In order to allow insurers to credit these overpayments against their April 1, 1984, tax prepayment obligations, it is necessary that this act go into immediate effect.

CHAPTER 40

An act to amend Section 35401 of the Vehicle Code, relating to vehicles.

[Approved by Governor March 18, 1984. Filed with Secretary of State March 19, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 35401 of the Vehicle Code, as amended by Section 14 of Chapter 145 of the Statutes of 1983, is amended to read:

35401. (a) Except as otherwise provided in subdivisions (b) and (c), no combination of vehicles coupled together, including any attachments thereto, shall exceed a total length of 65 feet.

(b) A combination of vehicles coupled together, including any attachments thereto, which consists of a truck tractor, a semitrailer, and a trailer shall not exceed a total length of 75 feet, provided that the length of neither the semitrailer nor the trailer in such combination of vehicles exceeds 28 feet. However, semitrailers and trailers not exceeding 28 feet six inches in length and which were in lawful operation on December 1, 1982, may be used in vehicle combinations under this subdivision.

(c) Any city or county may, by ordinance, prohibit a combination of vehicles of a total length in excess of 60 feet upon highways under its respective jurisdiction. The ordinance shall not be effective until appropriate signs are erected indicating either the streets affected by the ordinance or the streets not affected, as the local authority determines will best serve to give notice of the ordinance.

(d) The Legislature, in enacting this section, does not intend to reduce, and this section shall not be construed to reduce, any maximum total length of any combination of vehicles permitted under the statutes as they existed on January 1, 1974.

SEC. 2. The amendment of Section 35401 of the Vehicle Code

that would be made by Section 1 of this act shall not become operative unless Senate Bill 1389 of the 1983–84 Regular Session of the Legislature is enacted to amend and repeal Section 35401 of the Vehicle Code.

CHAPTER 41

An act to amend Sections 1110, 1274.35, 1274.10, 10201, 10203, 10213.5, 10217 of, and to add Section 15038.51 to, the Unemployment Insurance Code, and to amend Section 20 of Chapter 1075 of the Statutes of 1982, relating to unemployment insurance, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 18, 1984 Filed with Secretary of State March 19, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 1110 of the Unemployment Insurance Code is amended to read:

1110. (a) Employer contributions required under Sections 976, 976.5, and 976.6, the amount of benefits received by any individual pursuant to this part that is deducted from an award or settlement made by the employer under the provisions of Section 1382, and, except as provided by subdivision (b) of this section, worker contributions required under Section 984 are due and payable on the first day of the calendar month following the close of each calendar quarter and shall become delinquent if not paid on or before the last day of that month.

(b) Workers' contributions required under Section 984 are due and payable at the same time as amounts required to be withheld under Section 13020 are paid to the department pursuant to Section 13021, regardless of the amount of accumulated unpaid liability for workers' contributions.

SEC. 2. Section 1274.35 of the Unemployment Insurance Code is amended to read:

1274.35. (a) Notwithstanding any other provision of this division, any unemployed individual who, as determined by the director, has been laid off from work as a result of a plant closure or a substantial reduction in employment at the individual's most recent workplace at the time the individual filed his or her parent claim, and whose benefit year has expired and who is not entitled to establish a benefit year, or who has exhausted benefits payable under this part, Part 3 (commencing with Section 3501), and Part 4 (commencing with Section 4001), or any other federal unemployment compensation law, after January 1, 1982, and who applies for a determination of potential eligibility for benefits under this article no later than December 31, 1984, and who is determined otherwise eligible for

benefits under this division is eligible for an additional maximum of 26 times his or her most recent weekly benefit amount and shall not be denied benefits under this division in any week he or she is otherwise eligible for benefits under this article.

(b) Notwithstanding any other provision of this division, any other unemployed individual who, as determined by the director, has been laid off from work as a result of a plant closure or a substantial reduction in employment at the individual's most recent workplace at the time the individual filed his or her parent claim, and who is receiving benefits payable under this part, Part 3 (commencing with Section 3501), or Part 4 (commencing with Section 4001) or under any other federal unemployment compensation law, who, by December 31, 1985, applies for a determination of potential eligibility for benefits under this article and is determined otherwise eligible for benefits under this article, is eligible for an additional maximum of 26 times his or her weekly benefit amount under the provisions of this article.

(c) Notwithstanding any other provision of this division, any unemployed individual receiving benefits payable under this part, Part 3 (commencing with Section 3501), or Part 4 (commencing with Section 4001) or any other federal unemployment compensation law, who, after December 31, 1982, but before July 1, 1983, and no later than the 14th week of his or her unemployment, applies for a determination of potential eligibility for benefits under this article and is determined eligible for benefits under this article, is eligible for a maximum of 52 times his or her weekly benefit amount under the provisions of this division.

(d) Any claimant receiving benefits pursuant to subdivision (a), (b), or (c) who becomes eligible to file an unemployment compensation claim under state law or any other federal unemployment compensation law, shall file the claim in order to remain eligible under this article.

(e) Additional benefits paid under this section, and not otherwise payable under this division, shall be charged to individual employer reserve accounts, consistent with other provisions of this code.

(f) To the extent permitted by federal law, benefits payable under any federal unemployment compensation law shall be included as benefits payable under the provisions of this section.

(g) For the purposes of this section, the director shall only approve those training programs which meet the criteria described in Section 1274.3 and which are affiliated with an employer or a labor organization.

(h) This section shall remain in effect only until a total of twenty million dollars ($20,000,000) is expended from the Unemployment Fund pursuant to this section or until January 1, 1987, whichever date occurs first, and on that date is repealed, unless a later enacted statute chaptered before that date deletes or extends that date.

SEC. 2.5. Section 1274.10 of the Unemployment Insurance Code is amended to read:

1274.10. This article shall remain in effect only until January 1, 1987, and as of such date is repealed, unless a later enacted statute, which is chaptered before such date, deletes or extends such date.

SEC. 3. Section 10201 of the Unemployment Insurance Code is amended to read:

10201. As used in this chapter:

(a) "Employer" means any employer subject to Part 1 (commencing with Section 100) of Division 1, except any public entity, as defined by paragraph (3) of subdivision (a) of Section 135, and any nonprofit organization, as described in Section 608.

(b) "Eligible participant" means any person who, prior to beginning training or employment pursuant to this chapter, was either (1) unemployed and either receiving unemployment insurance benefits, or had exhausted eligibility for unemployment insurance benefits within the previous 52 weeks, or (2) is employed but is determined by the panel to be likely to be displaced and therefore claiming unemployment insurance benefits.

(c) "Panel" means the Employment Training Panel created by Section 10202.

(d) "Fund" means the Employment Training Fund created by Section 1610.

(e) "Department" means the Employment Development Department.

(f) "Training agency" means any private training entity or local educational agency.

SEC. 4. Section 10203 of the Unemployment Insurance Code is amended to read:

10203. The panel may meet as necessary at locations throughout the state. The panel shall maintain a minimum of two regional offices. The central office shall be located in Sacramento. One regional office shall be located in the southern part of the state.

SEC. 5. Section 10213.5 of the Unemployment Insurance Code is amended to read:

10213.5. (a) The Department of Economic and Business Development shall determine those firms considering locating or expanding businesses in the state in order to enable the Employment Training Panel to expedite the processing of contracts for these firms pursuant to subdivision (g) of Section 10205. The Department of Economic and Business Development shall also provide technical assistance by marketing the Employment Training Fund to newly locating or expanding businesses in the state and by assisting in the packaging of employer contracts for training of eligible participants from the Employment Training Fund.

(b) The panel and the Department of Economic and Business Development shall agree within 60 days of the enactment of this subdivision to a statement of coordination and purpose relating to the mutual assistance to be provided by the panel and the Department of Economic and Business Development pursuant to this chapter.

SEC. 6. Section 10217 of the Unemployment Insurance Code is amended to read:

10217. Funds in the Employment Training Fund created by Section 1610 shall be appropriated annually in the Budget Act by the Legislature for allocation by the panel for the purposes of this chapter, except those funds determined by the Legislature to be necessary to administer Section 976.6 and Article 6 (commencing with Section 1610) of Chapter 6 of Part 1 of Division 1 shall be appropriated to the department.

SEC. 7. Section 15038.51 is added to the Unemployment Insurance Code, to read:

15038.51. The State Job Training Coordinating Council, after review and comment by the director, shall report to the Assembly Committees on Finance and Insurance, and Labor and Employment, and the Senate Committee on Industrial Relations within one year of enactment of this section, concerning its coordination efforts with all state agencies, and its recommendations to improve the coordination efforts by removing statutory or administrative barriers.

SEC. 8. Section 20 of Chapter 1075 of the Statutes of 1982 is amended to read:

Sec. 20. The Employment Development Department shall report to the Legislature on or before August 1, 1984, and again on or before July 1, 1985, and again on or before July 1, 1986, on the cost and effect of the changes made by this act, including, but not limited to, the cost of administering the collection of contributions for the Employment Training Fund and of carrying out its responsibilities pursuant to Chapter 3.5 (commencing with Section 10200) of Part 1 of Division 3 of the Unemployment Insurance Code, and the effect on the various types of employers and on the Unemployment Fund of the changes made in the unemployment insurance tax structure. The department shall consult with the Legislature's Committees on Industrial Relations and Finance and Insurance prior to the preparation of each report. Any costs to the department in carrying out this section shall be reimbursed when appropriated by the Legislature from the Employment Training Fund.

SEC. 9. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 10. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide for the immediate retraining of workers whose

unemployment benefits are about to be exhausted; to prevent the adverse consequences to workers, families, and communities and the costs to the state of long-term unemployment; and, to obtain specific information on the implementation of job training programs to determine their cost effectiveness and to conserve public funds, it is necessary for this act to take effect immediately.

CHAPTER 42

An act to add Division 1 (commencing with Section 100) to, and to add Section 7102 to, the Public Contract Code, relating to public contracts.

[Approved by Governor March 18, 1984. Filed with Secretary of State March 19, 1984]

The people of the State of California do enact as follows:

SECTION 1. Division 1 (commencing with Section 100) is added to the Public Contract Code, to read:

DIVISION 1. PURPOSE AND PRELIMINARY MATTERS

100. The Legislature finds and declares that placing all public contract law in one code will make that law clearer and easier to find.

101. California public contract law should be efficient and the product of the best of modern practice and research.

102. To encourage competition for public contracts and to aid public officials in the efficient administration of public contracting, to the maximum extent possible, for similar work performed for similar agencies, California's public contract law should be uniform.

SEC. 2. Section 7102 is added to the Public Contract Code, to read:

7102. Contract provisions in construction contracts of public agencies and subcontracts thereunder which limit the contractee's liability to an extension of time for delay for which the contractee is responsible and which delay is unreasonable under the circumstances involved, and not within the contemplation of the parties, shall not be construed to preclude the recovery of damages by the contractor or subcontractor.

This section shall not be construed to void any provision in a construction contract which requires notice of delays, provides for arbitration or other procedure for settlement, or provides for liquidated damages.

CHAPTER 43

An act to amend Sections 832 and 832.3 of, and to add Section 13510.2 to, the Penal Code, relating to peace officers.

[Approved by Governor March 18, 1984. Filed with Secretary of State March 19, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 832 of the Penal Code is amended to read:

832. (a) Every person described in this chapter as a peace officer, shall receive a course of training prescribed by the Commission on Peace Officer Standards and Training. Training in the carrying and use of firearms shall not be required of any peace officer whose employing agency prohibits the use of firearms.

(b) (1) Every such peace officer described in this chapter, within 90 days following the date that he was first employed by any employing agency, shall, prior to the exercise of the powers of a peace officer, have satisfactorily completed the course of training as described in subdivision (a).

(2) Every peace officer described in Section 13510 may satisfactorily complete the training required by this section as part of the training prescribed pursuant to Section 13510.

(c) Persons described in this chapter as peace officers who have not so satisfactorily completed the courses described in subdivision (a) as specified in subdivision (b), shall not have the powers of a peace officer until they satisfactorily complete such courses.

(d) Any peace officer who on the effective date of this section possesses or is qualified to possess the basic certificate as awarded by the Commission on Peace Officer Standards and Training shall be exempted from the provisions of this section.

SEC. 2. Section 832.3 of the Penal Code is amended to read:

832.3. (a) Except as provided in subdivision (b), any sheriff, undersheriff, or deputy sheriff of a county, any policeman of a city, and any policeman of a district authorized by statute to maintain a police department, who is first employed after January 1, 1975, for the purposes of the prevention and detection of crime and the general enforcement of the criminal laws of this state, shall successfully complete a course of training prescribed by the Commission on Peace Officer Standards and Training before exercising the powers of a peace officer, except while participating as a trainee in a supervised field training program approved by the Commission on Peace Officer Standards and Training.

(b) For the purpose of standardizing the training required in subdivision (a), the commission shall develop a training proficiency testing program, including a standardized examination which enables (1) comparisons between presenters of such training and (2) development of a data base for subsequent training programs.

Presenters approved by the commission to provide the training required in subdivision (a) shall administer the standardized examination to all graduates. Nothing in this subdivision shall make the completion of such examination a condition of successful completion of the training required in subdivision (a).

(c) Notwithstanding subdivision (c) of Section 84500 of the Education Code and any regulations adopted pursuant thereto, community colleges may give preference in enrollment to employed law enforcement trainees who shall complete training as prescribed by this section. At least 15 percent of each presentation shall consist of nonlaw enforcement trainees if they are available. Preference should only be given when the trainee could not complete the course within the time required by statute, and only when no other training program is reasonably available. Average daily attendance for such courses shall be reported for state aid.

(d) Prior to July 1, 1987, the commission shall make a report to the Legislature on academy proficiency testing scores. This report shall include an evaluation of the correlation between academy proficiency test scores and performance as a peace officer.

SEC 3. Section 13510.2 is added to the Penal Code, to read:

13510.2. Any person who knowingly commits any of the following acts is guilty of a misdemeanor, and for each offense is punishable by a fine of not more than one thousand dollars ($1,000) or imprisonment in the county jail not to exceed one year, or by both a fine and imprisonment:

(a) Presents or attempts to present as the person's own the certificate of another.

(b) Knowingly permits another to use his or her certificate.

(c) Knowingly gives false evidence of any material kind to the commission, or to any member thereof, including the staff, in obtaining a certificate.

(d) Uses, or attempts to use, a canceled certificate.

SEC. 4. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 5. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

CHAPTER 44

An act to amend Sections 4533.1 and 54222 of, and to add Chapter 12.9 (commencing with Section 7080) to Division 7 of Title 1 of, the Government Code, and to amend Sections 17024.5, 17220, 17276, and 24667 of, and to add Sections 17052.13, 17053.11, 17148, 17260.1, 17265, 17276.2, 17556, 23612, 24313, 24333, 24342.5, 24356.3, and 24422.1 to, the Revenue and Taxation Code, relating to economic development, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 20, 1984 Filed with Secretary of State March 20, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 4533.1 of the Government Code is amended to read:

4533.1. Where a bidder complies with the provisions of Section 4533, or the worksite is within commuting distance of a distressed area, the state shall award a 1-percent preference for bidders who shall agree to hire persons with high risk of unemployment equal to 5 to 9 percent of its work force during the period of contract performance; a 2-percent preference for bidders who shall agree to hire persons with high risk of unemployment equal to 10 to 14 percent of its work force during the period of contract performance; a 3-percent preference for bidders who shall agree to hire persons with high risk of unemployment equal to 15 to 19 percent of its work force during the period of contract performance; and a 4-percent preference for bidders who shall agree to hire persons with high risk of unemployment equal to 20 or more percent of its work force during the period of contract performance.

SEC. 1.5. Chapter 12.9 (commencing with Section 7080) is added to Division 7 of Title 1 of the Government Code, to read:

CHAPTER 12.9 EMPLOYMENT AND ECONOMIC INCENTIVE ACT

Article 1. General Provisions and Definitions

7080. This chapter shall be known and may be cited as the Employment and Economic Incentive Act.

7081. The Legislature finds and declares that employment and business development are of vital importance to the economic stability of the state and that certain communities of the state are experiencing particular economic distress which adversely affects the statewide economy. The Legislature further finds that within these economically distressed areas there is a lack of new employment opportunities due to decreased private investment.

The Legislature hereby declares that it serves a public purpose,

and is of benefit to the state, to encourage and facilitate job maintenance and business and job development in distressed and declining areas of cities, counties, and towns in the state.

It is the intent of the Legislature to further these goals by initiating a demonstration program of targeting incentives and changes in law designed to expedite the state and local economic development process.

7082. For purposes of this chapter:

(a) "Block group" means the smallest area for which the United States Department of Commerce, Bureau of the Census provides data on personal income.

(b) "Urbanized area" means a central city or cities and surrounding closely settled territory, as defined by the United States Department of Commerce, Bureau of the Census in the Federal Register, Vol. 39, Number 85, for Wednesday, May 1, 1974, at pages 15202-15203 and as periodically updated.

(c) "Cluster of block groups" means one or more contiguous block groups.

(d) "Poverty level" means the poverty level, as defined by the U.S. Department of Commerce, Bureau of the Census, as periodically updated.

(e) "High density unemployment area" means an urbanized area or a rural area within the State of California, as identified by the Department of Economic and Business Development, which contains at least 4,000 people (in the case of an urbanized area) or at least 2,500 people (in the case of a rural area) in a cluster of block groups, each of which meets the following criteria according to the most recent available census information compared to the last statewide census, or according to the most current unemployment reports, whichever provides the most reliable data:

(1) The average unemployment rate for the block group for the most recent 12-month period for which data are available was at least one and one-half times the average national rate of unemployment for that 12-month period.

(2) The average poverty rate for the block group for the most recent 12-month period was at least one and one-half times the average national poverty rate for that 12-month period.

(3) At least 70 percent of the household earnings for the block group for the most recent 12-month period was a maximum of 80 percent of the average state household earnings for said 12-month period.

(4) Excludes nondistressed areas.

If an area does not meet the criteria of a high density unemployment area specified in this subdivision, an applicant may petition for the designation if substantially similar measures of distress can be shown based upon any of the following:

(1) A special census is conducted and approved by the population research unit of the Department of Finance.

(2) The applicant's jurisdiction has experienced a major economic

dislocation resulting from plant closure or closure of a federal installation within the last 12 months prior to the application.

(3) The applicant's jurisdiction contains a specifically defined geographic area that meets the eligibility criteria for pockets of poverty under the federal Department of Housing and Community Development's Urban Development Action Grant (UDAG) program as described in 24 CFR Part 570, Sections 570.466(a) (2) and (a) (3).

(f) "Nondistressed area" means any block group which does not meet the definition of a high density unemployment area.

(g) "One-stop service" means an efficient and expeditious method.

(h) "Department" means the Department of Economic and Business Development.

(i) "Qualified business" means any person, corporation, or other entity which is certified by the applicant and the department and which during the period of designation of the program area is engaged in the active conduct of a trade or business within the program area and meets any of the following requirements:

(1) Has an annual average of at least 50 percent of its employees who are residents of a high density unemployment area.

(2) Has an annual average of at least 30 percent of its employees who are residents of a high density unemployment area, and has set up community service programs approved by the local government entity and the community advisory council in which the program area is located.

(3) Is a joint venture between an existing business and a business which is owned by a resident or residents of a high density unemployment area. The resident or residents of the joint venture shall be responsible for at least 30 percent of the work performed by the business and shall share in at least 30 percent of the ownership, control, management responsibility, risks, and profits of the joint venture. For the purposes of this paragraph, "resident" means a person whose physical place of residence is within a high density unemployment area.

Financial institutions shall not be qualified businesses. A business shall not be a qualified business if it abandons operations elsewhere in the state or relocates existing operations within the state, unless the business obtains certification from the department that it would otherwise relocate operations from within the state to outside the state.

(j) "Program area" means a neighborhood economic development area or a targeted economic development area in the Employment and Economic Incentive Program.

(k) "Agent" means the person or entity designated by an applicant to facilitate the operations of the Employment and Economic Incentive Program.

(*l*) "Applicant" means a city, county, or county and city.

(m) "Resident" means, unless otherwise defined, a person whose

principal place of residence is within the high density unemployment area and who has lived in that area for six months prior to employment by the qualified business.

(n) "Infrastructure" means the physical systems and services which support development and people, including, but not limited to, streets and highways, transit services, airports, and water and sewer systems.

(o) "Community services" means police, fire protection, and public transportation services authorized and supported by local government.

(p) "Neighborhood economic development area" means an area which meets all of the following criteria:

(1) It shall be within a high density unemployment area.

(2) Its primary use shall be commercial.

(3) Its boundary shall be continuous.

(4) It shall be of sufficient size to sustain a diverse mix of commercial businesses.

(5) At least a part of its area shall be within the territorial jurisdiction of the applicant. If an area for which designation is sought encompasses the territorial jurisdiction of two or more local governmental entities, all of those entities shall be a party to the application for designation, except that any one or more of those entities by resolution or ordinance may specify that it shall not participate in the application.

No residential structure may be used for nonresidential use unless the structure has been unoccupied for at least one year prior to designation as a program area, or unless comparable replacement housing is provided for all persons displaced in accordance with Section 33415 of the Health and Safety Code.

An agricultural area shall not be designated as a neighborhood economic development area.

(q) "Targeted economic development area" means an area which meets all of the following criteria:

(1) Its boundary shall be continuous.

(2) Its primary use shall be industrial or other mixed business uses.

(3) It shall be of sufficient size to sustain a diverse mix of businesses.

(4) At least a part of its area shall be within the territorial jurisdiction of the applicant. If an area for which designation is sought encompasses the territorial jurisdiction of two or more local governmental entities, all of those entities shall be a party to the application for designation, except that any one or more of those entities by resolution or ordinance may specify that it shall not participate in the application.

The area may be, but is not required to be, within a high density unemployment area; however, if the area is outside a high density unemployment area, it shall be within reasonable commuting distance of a high density unemployment area. If the area is outside a high density unemployment area the applicant jurisdiction in

which the area is located, in making its application, shall secure the endorsement of its application from at least one jurisdiction which is located within the high density unemployment area and is in close geographic proximity to the applicant.

The area may include vacant or sparsely developed parcels of land or abandoned facilities.

No residential structure may be used for nonresidential use unless the structure has been unoccupied for at least one year prior to designation as a program area, or unless comparable replacement housing is provided for all persons displaced in accordance with Section 33415 of the Health and Safety Code.

An agricultural area shall not be designated as a targeted economic development area.

7083. There shall be in the state an Employment and Economic Incentive Program, a demonstration program for economic development, which shall be in existence for 15 years, comprised of three renewable five-year terms. Areas of the state will be designated as targeted economic development and neighborhood economic development areas. These areas shall receive tax incentives, special assistance, start-up capital, and other incentives for private investment and employment.

The department shall use the most recent census data to identify all high density unemployment areas in a statewide map according to county. The department shall distribute the county maps to the respective counties and provide for statewide public notification of the availability of the maps. Cities, counties, and the department are authorized to charge a reasonable fee to members of the public requesting copies of the maps.

7084. The areas of chronic economic distress which have the potential for economic revitalization and employment and which shall be eligible for the Employment and Economic Incentive Program are qualified neighborhood economic development areas and qualified targeted economic development areas.

7085. (a) An applicant may apply to the department to have an area designated as a targeted economic development area or a neighborhood economic development area, or both, for a five-year period which is renewable each five years until a total of 15 years is reached.

(b) The applicant shall first file with the department a preliminary application which shall include the elements required for the designation as a qualified area. The department shall select no more than 20 applicants annually to complete a final application. The final application shall include, but not be limited to, all of the following:

(1) A comprehensive economic development strategy for the designated area which provides for meaningful involvement of community residents, community businesses, and other community entities in the development of that strategy. The strategy shall only be approved by local ordinance following a public hearing. The

applicant shall provide for public notice of the hearing on the strategy.

(2) A community impact statement which analyzes the impact of the development on the community and includes both of the following:

(A) An evaluation of the effect of the new development on the area's infrastructure.

(B) The effect of the new development on the provision of community services.

(3) A plan which specifies development objectives and assigns a priority to each development objective.

(4) The manner and level in which community services and infrastructure, particularly through experimentation with community and private sector involvement, will be improved to accommodate new development.

(5) A description of current economic development projects in the applicant's jurisdiction and an analysis of how participation in the program area will supplement existing economic development activities.

(6) An identification of funds for economic development activities from federal, state, local, and private sources which are planned for use in the program area.

(7) An evaluation of the employment, job skills, and management training needs of businesses and residents in the program area.

(8) An estimate of the number of new jobs that will result from the program based on the employment needs evaluation made pursuant to paragraph (7).

(9) A description of specific actions and timetables to reduce, remove, simplify, or streamline local requirements and the local permit process within the program area without endangering the public health, safety and welfare in the community.

(10) Proposed involvement in the program by private entities, organizations, neighborhood organizations, and neighborhood groups which may make contributions to the program.

(11) If applicable, a specification of the distance between the proposed targeted economic development area and the nearest high density unemployment area. The distance shall be within reasonable commuting distance.

(c) The department shall design, develop, and make available the applications, the criteria for selection, and all regulations regarding the program.

(d) In competitively evaluating the applications for the program designation, the department shall give special preference to those areas with respect to which the strongest and highest quality contributions described in subdivision (b) are indicated. The form and manner in which applications are required to be submitted shall minimize the paperwork of the applicant.

(e) The department shall also give preference to those applications that provide a plan for local efforts to reduce

impediments to economic development and maintain the quality of life of the community, which include, but are not limited to, the following:

(1) A proposal for program areas close enough for easy access to the high density unemployment areas or which route transit service to serve employees.

(2) A plan to encourage the retention and expansion of existing businesses.

(3) A strategy for the recruitment of new businesses into the program area.

(4) A realistic projection of the new job opportunities that are suitable to the needs of program area residents.

(5) A plan to demonstrate innovative and comprehensive strategies to improve community services through the utilization of contracts with private entities, organizations, neighborhood organizations, and neighborhood groups.

(6) A plan to provide, by working with the state, insurance for qualified businesses in the program area.

(7) A plan to establish a loan bank or fund to provide capital to qualified businesses in the program area.

(8) A plan to rehabilitate existing abandoned structures.

(f) The department shall establish regulations and make available the applications for the program not later than 150 days after the effective date of this chapter.

(g) The department may designate areas for the program beginning on the effective date of the regulations described in subdivision (f), but not later than the final day of the 36th full calendar month following that date.

(h) The department may designate not more than a total of nine targeted economic development areas and nine neighborhood economic development areas over a 15-year period. In complying with this limitation, the department shall designate not more than three targeted economic development areas and three neighborhood economic development areas by the end of 1984, not more than six targeted economic development areas and six neighborhood economic development areas by the end of 1985, and not more than nine targeted economic development areas and nine neighborhood economic development areas by the end of 1986. The department may not designate as a targeted economic development area pursuant to this chapter any area that has been designated for economic development as an enterprise zone under any other provision of state law.

7086. (a) The department shall examine the program areas every five years prior to renewing any designation. The criteria for granting renewal shall be addressed in a periodic report prepared by the applicant and submitted to the department. The criteria which the report shall address shall include at least the following:

(1) The progress made toward meeting the proposed goals prescribed in the primary application.

(2) A favorable change in the unemployment rate, based on information provided by the Employment Development Department, since the primary application in the program area.

(3) A favorable change in the poverty rate since the primary application in the program area.

(4) A favorable change in the per-capita income of the program area.

(5) An increased amount of money involved in the equity-investment and established in the plans for the primary program.

(6) An improved update to the original economic development plan, as appropriate. If the applicant is denied redesignation, this chapter shall still apply for one year after denial of redesignation.

(b) For the purposes of this chapter, the department may require the Employment Development Department and the Department of Finance to provide any available tabulations and reports which, in its judgment, the examination required by subdivision (a) may necessitate.

(c) The department may audit any approved program at any time during the program duration when appropriate. Based on the findings of this audit, the department may decertify any program area.

(d) The department shall provide technical assistance to the selected areas with respect to the following activities:

(1) Furnish limited onsite assistance to the program areas when appropriate.

(2) Insure that the agent has developed a method to make residents, businesses, and neighborhood organizations aware of the opportunities to participate in the program.

(3) Help the locality develop a marketing program for the areas.

(4) Coordinate activities of other state agencies regarding the program areas.

(5) Monitor the progress of the program.

(6) Help qualified businesses to participate in the program.

Notwithstanding existing law, the provision of services in paragraphs (1) to (6), inclusive, shall be a high priority of the department.

The department may, at its discretion, undertake other activities in providing management and technical assistance for successful implementation of this section.

(e) The department shall report on the effects of this chapter on or before January 1, 1986, and on or before January 1, 1988, and for each five-year period thereafter up to and including January 1, 1998.

(f) The applicant shall be required to begin implementation of the program plan at least six months after notification of selection or the program area shall lose its designation.

(g) No neighborhood economic development area designation shall be made without an accompanying targeted economic development area designation serving the same high density

unemployment area; however, a targeted economic development area designation does not require concurrent neighborhood economic development area designation.

7087. (a) The applicant shall designate an agent which shall be the prime facilitator of all activities relating to the Employment and Economic Incentive Program. In designating an agent, the applicant may consider the designation of a community-based nonprofit organization, a joint venture between the public and private sector, or an agency of the applicant as the agent.

(b) The responsibilities of the agent shall include, but are not limited to, assisting and coordinating in all of the following:

(1) Providing one-stop service for permit processing for qualified businesses in the program area. Facilitating the development of qualified businesses shall be the primary responsibility of the agent.

(2) Coordinating the sequence of all inspections to minimize delay to businesses.

(3) Helping the qualified businesses find low-interest capital.

(4) Maintaining labor availability data, which may be obtained from the Employment Development Department.

(5) Assisting in employment recruitment and screening.

(6) Reducing the processing time of the permit process for builders.

(7) Centralizing the processing of documents, permits, and licenses.

(8) Informing all qualified businesses of all the various incentives offered by, and available from, local, state, and the federal government, including, but not limited to, incentives relating to taxation, fee schedules and structures, and modified procedures for permits.

(9) Working with the local and state job training and recruitment resources to make those resources available to qualified businesses.

(10) Establishing and presiding over a community advisory council, within the jurisdiction of the applicant, the purpose of which is to allow community involvement in the program.

(c) The members of the council shall be appointed by the local governing body and shall consist of at least one representative from each of the following groups:

(1) Program area residents.

(2) High density unemployment area residents.

(3) Businesses located in a program area.

(4) Local government representatives.

(5) Private industry council members.

(6) Department officials, when necessary.

(7) Small business development corporations created pursuant to the Small Business Development Corporation Law.

(8) Community-based organizations.

(d) Any existing community advisory council which contains substantially the same membership may serve as the advisory council provided for by this act.

(e) The advisory council shall do all of the following:

(1) Meet at least once a month during the formulation of the comprehensive economic development plan for the application.

(2) Meet at least once every three months throughout the duration of the program to monitor the progress of the program and to aid and assist the agent with plan implementation.

(3) Initiate or coordinate community programs which may include programs providing for the following:

(A) Neighborhood crime prevention and improved security.

(B) Recreation.

(C) Health care.

(D) Senior citizens nutrition.

(E) Child care.

(F) Job training.

7087.5. Following the department's designation of an area as a targeted economic development area, the applicant shall develop an environmental impact report which sets forth the potential environmental impacts of any and all development within the enterprise zone. The environmental impact report shall meet the requirements of the California Environmental Quality Act. No further environmental impact report shall be required if the department determines that the effects of the project were either (1) mitigated or avoided as a result of the environmental impact report prepared for the area, or (2) examined at a sufficient level of detail in the environmental impact report for the area to enable those effects to be mitigated or avoided by specific site revisions, the imposition of conditions, or other means in connection with the designation of the area.

7088. Notwithstanding any other provision of law, state and local agencies are authorized to lease land to qualified businesses in a targeted economic development area or a neighborhood economic development area at a price below fair market value, provided that it serves a public purpose to lease at below fair market value.

7089. Notwithstanding any other provision of law, the Office of Small Business Development shall establish regulations for loans and loan guarantees administered by the office which give high priority to qualified businesses in a targeted economic development area or a neighborhood economic development area, or for any business located within an enterprise zone which is designated under any other provision of state law, but only if the owners of the businesses are residents of a high density unemployment area or enterprise zone, or the business is a joint venture between residents of the high density unemployment area or enterprise zone and an existing business.

7090. Notwithstanding Sections 32646 and 32647 of the Financial Code, a high priority in ranking loan applications by the State Assistance Fund for Energy, California Business and Development Corporation, shall be given to qualified businesses in a targeted economic development area or a neighborhood economic area, or for

any business located within an enterprise zone which is designated under any other provision of state law, purchasing or providing alternative energy systems.

7091. (a) Notwithstanding the bonding limitation specified in Section 91573, the California Industrial Development Financing Advisory Commission shall authorize an annual maximum amount of qualifying bonds of seventy-five million dollars ($75,000,000).

(b) Notwithstanding Section 91503, the bonding authorization contained in subdivision (a) shall be used for providing funds to qualified businesses within targeted economic development areas or neighborhood economic development areas for any of the uses authorized in this chapter, or any business which is located within an enterprise zone which is designated under any other provision of state law. However, any portion of the annual maximum amount specified in subdivision (a) which in any year is not used for the purpose specified in this subdivision may be used in the next succeeding year for the purpose of any program administered by the California Industrial Development Financing Advisory Commission.

(c) The annual maximum bonding authority specified in subdivision (a) is exclusive of, and in addition to, the maximum bonding authority specified in Section 91573.

(d) The provisions of subdivision (a) shall be operative only until December 31, 1986.

7092. Notwithstanding any other provision of law, and to the extent permitted by federal law, the Employment Development Department and the Department of Education shall give high priority to training of unemployed individuals who reside in a high density unemployment area or any enterprise zone which is designated under any other provision of state law. The Department of Economic and Business Development may assist local agents in designating local business, labor, and education consortia to broker activities between the employment community and educational and training institutions. Any available discretionary funds may be used to assist the creation of those consortia.

7093. Notwithstanding any other provision of law, the Office of Criminal Justice Planning shall give high priority to program areas, or any enterprise zone which is designated under any other provision of state law, in the allocation of its program resources.

7094. Any designation of a program area in accordance with the provisions of this chapter shall be deemed appropriate state designation of an area for purposes of qualifying that area as an enterprise zone under federal law.

7095. (a) Whenever the state prepares an invitation for bid (I.F.B.) for a contract for goods in excess of one hundred thousand dollars ($100,000), except a contract in which the worksite is fixed by the provisions of the contract, the state shall award a 5-percent preference to California-based companies who certify under penalty of perjury that no less than 50 percent of the labor required to perform the contract shall be accomplished at a worksite or worksites

located in a high density unemployment area.

(b) Where a bidder complies with the provisions of subdivision (a), the state shall award a 1-percent preference for bidders who shall agree to hire persons living within a high density unemployment area equal to 5 to 9 percent of its work force during the period of contract performance; a 2-percent preference for bidders who shall agree to hire persons living within a high density unemployment area equal to 10 to 14 percent of its work force during the period of contract performance; a 3-percent preference for bidders who shall agree to hire persons living within a high density unemployment area equal to 15 to 19 percent of its work force during the period of contract performance; and a 4-percent preference for bidders who shall agree to hire persons living within a high density unemployment area equal to 20 or more percent of its work force during the period of contract performance.

(c) In evaluating proposals for contracts for services in excess of one hundred thousand dollars ($100,000), except a contract in which the worksite is fixed by the provisions of the contract, the state shall award a 5-percent preference on the price submitted by California-based companies who certify under penalty of perjury that they shall perform the contract at a worksite or worksites located in a high density unemployment area.

(d) Where a bidder complies with the provisions of subdivision (c), the state shall award the additional preferences as set forth in subdivision (b) as appropriate.

(e) In each instance in this section a high density unemployment area shall also mean any enterprise zone which is designated under any other provision of state law.

7096. All state contracts issued to bidders who are awarded preferences under this chapter shall contain conditions to ensure that the contractor performs the contract at the location specified and meets any commitment to employ persons with high risk of unemployment.

7097. A business which requests and is given the preference provided for in subdivisions (a) or (c) of Section 7095 by reason of having furnished a false certification, and which by reason of this certification has been awarded a contract to which it would not otherwise have been entitled, shall be subject to all of the following:

(a) Pay to the state any difference between the contract amount and what the state's cost would have been if the contract had been properly awarded.

(b) In addition to the amount specified in subdivision (a), be assessed a penalty in an amount of not more than 10 percent of the amount of the contract involved.

(c) Be ineligible to transact any business with the state for a period of not less than three months and not more than 24 months.

Prior to the imposition of any sanction under this chapter, the contractor or vendor shall be entitled to a public hearing and to five days' notice of the time and place thereof. The notice shall state the

reasons for the hearing.

7098. The maximum preference a bidder may be awarded pursuant to this chapter and any other provision of current law shall be 15 percent.

7099. The Department of General Services, with the cooperation of the Employment Development Department, the Department of Industrial Relations, and the Office of Planning and Research, and under the direction of the State and Consumer Services Agency, shall adopt appropriate rules, regulations, and guidelines to implement Sections 7095 to 7098, inclusive.

SEC. 2. Section 54222 of the Government Code is amended to read:

54222. Any agency of the state and any local agency disposing of surplus land shall, prior to disposing of that property, send a written offer to sell or lease the property as follows:

(a) A written offer to sell or lease for the purpose of developing low- and moderate-income housing shall be sent to any local agencies including, but not limited to, housing authorities or redevelopment agencies within whose jurisdiction the surplus land is located.

(b) A written offer to sell or lease for park and recreational purposes or open-space purposes shall be sent:

(1) To any park or recreation department of any city within which the land may be situated.

(2) To any park or recreation department of the county within which the land is situated.

(3) To any regional park authority having jurisdiction within the area in which the land is situated.

(4) To the State Resources Agency or any agency which may succeed to its powers.

(c) A written offer to sell or lease any surplus property in a program area, as defined in subdivision (j) of Section 7082, shall be sent to the agent in the program area.

(d) The entity or agent desiring to purchase or lease the surplus land for low- and moderate-income housing purposes or for park or recreation purposes or for open-space purposes, or for program area purposes shall notify in writing the disposing agency of its intent to purchase or lease the land within 60 days after receipt of the agency's notification of intent to sell the land.

SEC. 2.5. Section 54222 of the Government Code is amended to read:

54222. Any agency of the state and any local agency disposing of surplus land shall, prior to disposing of that property, send a written offer to sell or lease the property as follows:

(a) A written offer to sell or lease for the purpose of developing low- and moderate-income housing shall be sent to any local agencies including, but not limited to, housing authorities or redevelopment agencies within whose jurisdiction the surplus land is located.

(b) A written offer to sell or lease for park and recreational purposes or open-space purposes shall be sent:

(1) To any park or recreation department of any city within which the land may be situated.

(2) To any park or recreation department of the county within which the land is situated.

(3) To any regional park authority having jurisdiction within the area in which the land is situated.

(4) To the State Resources Agency or any agency which may succeed to its powers.

(c) A written offer to sell or lease for enterprise zone purposes any surplus property in an area designated as an enterprise zone pursuant to Section 7073 shall be sent to the nonprofit neighborhood enterprise association corporation in that zone.

(d) A written offer to sell or lease any surplus property in a program area, as defined in subdivision (j) of Section 7082, shall be sent to the agent in the program area.

(e) The entity, association, or agent desiring to purchase or lease the surplus land for low- and moderate-income housing purposes, for park or recreation purposes, for open-space purposes, for enterprise zone purposes, or for program area purposes shall notify in writing the disposing agency of its intent to purchase or lease the land within 60 days after receipt of the agency's notification of intent to sell the land.

SEC. 3. Section 17024.5 of the Revenue and Taxation Code is amended to read:

17024.5. (a) Unless otherwise specifically provided, the term "Internal Revenue Code," for purposes of this part, means Title 26 of the United States Code, including all amendments thereto in effect on the specified date for the applicable taxable year as follows:

Taxable Year	Effective date of Internal Revenue Code Sections
(1) For taxable years beginning on or after January 1, 1983, and on or before December 31, 1983	January 15, 1983
(2) For taxable years beginning on or after January 1, 1984.....	January 15, 1983

(b) Unless otherwise specifically provided, when applying any section of the Internal Revenue Code for purposes of this part, any provision therein relating to any of the following shall not be applicable for purposes of this part:

(1) An electing small business corporation, as defined in Section 1361(b) of the Internal Revenue Code.

(2) Domestic international sales corporations (DISC), as defined in Section 992(a) of the Internal Revenue Code.

(3) A personal holding company, as defined in Section 542 of the Internal Revenue Code.

(4) A foreign personal holding company, as defined in Section 552

of the Internal Revenue Code.

(5) A foreign investment company, as defined in Section 1246(b) of the Internal Revenue Code.

(6) A foreign trust, as defined in Section 679 of the Internal Revenue Code.

(7) Foreign taxes and foreign tax credits.

(8) Section 911 of the Internal Revenue Code, relating to United States citizens living abroad.

(9) A foreign corporation, except that Section 367 of the Internal Revenue Code shall be applicable.

(10) A separate tax on lump-sum distributions imposed by Section 402(e) of the Internal Revenue Code.

(11) Credits and credit carryovers.

(12) Net operating losses, except as provided in Sections 17201.5 and 17276.2.

(13) Nonresident aliens.

(14) "Short-term" and "long-term" capital gain or loss, or the deduction for capital gains allowed by Section 1202 of the Internal Revenue Code (see Section 18162.5 for amounts includable in income for purposes of this part).

(15) Section 1245 of the Internal Revenue Code recovery property.

(16) Recovery property specified in Section 168 of the Internal Revenue Code.

(17) Section 179 of the Internal Revenue Code property.

(18) Deduction for personal exemptions, as provided in Section 151 of the Internal Revenue Code.

(19) The deduction for the two-earner married couples as allowed by Section 221 of the Internal Revenue Code.

(20) The tax on generation-skipping transfers imposed by Section 2601 of the Internal Revenue Code.

(c) When applying the Internal Revenue Code for purposes of this part, any reference to regulations prescribed by "the secretary" shall not be applicable if the Franchise Tax Board has adopted and issued regulations. In the absence of regulations issued by the Franchise Tax Board, regulations issued by "the secretary" in effect as of the applicable effective date of the Internal Revenue Code sections referred to in subdivision (a) shall be applicable to the extent that they do not conflict with this part.

(d) Whenever this part allows a taxpayer to make an election, the following rules shall apply:

(1) A proper election filed in accordance with the Internal Revenue Code or regulations issued by "the secretary" shall be deemed to be a proper election for purposes of this part, unless otherwise provided in this part or in regulations issued by the Franchise Tax Board.

(2) A copy of that election shall be furnished to the Franchise Tax Board upon request.

(e) Whenever this part allows or requires a taxpayer to file an

application or seek consent, the rules set forth in subdivision (d) shall be applicable with respect to any such application or consent.

(f) When applying the Internal Revenue Code for purposes of this part, any reference to a period of three years shall be modified to read four years for purposes of this part.

(g) Unless otherwise specifically provided, when applying any section of the Internal Revenue Code for purposes of this part, any reference to the "secretary" shall mean the "Franchise Tax Board."

(h) Unless otherwise specifically provided, when applying any section of the Internal Revenue Code for purposes of this part, any reference to "adjusted gross income" (AGI) shall mean the amount computed as adjusted gross income, in accordance with Section 17072, on the California income tax return for the same taxable year.

SEC. 4. Section 17052.13 is added to the Revenue and Taxation Code, to read:

17052.13. (a) There shall be allowed as a credit against the "net tax" (as defined in Section 17039) for the taxable year the amount equal to the sales tax paid or incurred by the taxpayer in connection with the purchase of qualified property.

(b) For purposes of this section:

(1) "Taxpayer" means a qualified business as defined in Section 7082 of the Government Code.

(2) "Qualified property" means machinery and machinery parts used for fabricating, processing, assembling, and manufacturing, up to a value of one million dollars ($1,000,000).

(c) In the case where the credit allowed under this section exceeds the "net tax" for the taxable year, that portion of the credit which exceeds the "net tax" may be carried over to the "net tax" in succeeding taxable years, until the credit is used. The credit shall be applied first to the earliest years possible.

(d) Any taxpayer who elects to be subject to this section shall not be entitled to claim a deduction pursuant to paragraph (2) of subdivision (a) of Section 17220 with respect to sales tax paid or incurred in connection with the purchase of qualified property.

(e) The amount of the credit provided by this section shall not exceed the amount of tax which would be imposed on the income attributed to business activities of the taxpayer within the program area (as defined in Section 7082 of the Government Code) as if such attributed income represented all of the net income of the taxpayer subject to tax under this part. The amount of such attributed income shall be determined in accord with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17 of Part 11 of Division 2.

SEC. 5. Section 17053.11 is added to the Revenue and Taxation Code, to read:

17053.11. (a) There shall be allowed as a credit against the "net tax" (as defined in Section 17039) for the taxable year the amount determined in subdivisions (c) and (d) for a qualified business which hires a qualified employee (as defined in subdivision (b)).

(b) For purposes of this section:

(1) "Qualified business" means a qualified business, as defined in Section 7082 of the Government Code, and any financial institution which, except for the prohibition contained in subdivision (i) of Section 7082 of the Government Code, otherwise meets that definition.

(2) "Qualified employee" means an employee who has been an unemployed resident of a high density unemployment area (as defined in Section 7082 of the Government Code) prior to being employed by the qualified business.

(c) The credit provided for each qualified employee who has been unemployed for at least six months prior to being employed and has been hired pursuant to subdivision (a), shall be as follows:

(1) Six hundred dollars ($600) for the first six months of employment.

(2) Six hundred dollars ($600) for the second six months of employment.

(3) Seven hundred dollars ($700) for the second year of employment.

(d) The credit provided for each qualified employee who has been unemployed for at least three months but less than six months prior to being employed shall be five hundred dollars ($500) for the first year of employment; however, the credit for the second year of employment shall be that provided in paragraph (3) of subdivision (c).

(e) In the case where the credit allowed under this section exceeds the "net tax" for the taxable year, that portion of the credit which exceeds the "net tax" may be carried over to the "net tax" in succeeding taxable years until the credit is used. The credit shall be applied first to the earliest taxable years possible.

(f) The amount of the credit provided by this section shall not exceed the amount of tax which would be imposed on the income attributed to business activities of the taxpayer within the program area (as defined in Section 7082 of the Government Code) as if such attributed income represented all of the net income of the taxpayer subject to tax under this part. The amount of such attributed income shall be determined in accord with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17 of Part 11 of Division 2.

SEC. 6. Section 17148 is added to the Revenue and Taxation Code, to read:

17148. Gross income does not include any income derived by a taxpayer from any investment solely in a program area (as defined by Section 7082 of the Government Code) made after the effective date of this section in a qualified business (as defined in Section 7082 of the Government Code) which is located within a targeted economic development area or a neighborhood economic development area (as defined in Section 7082 of the Government Code). For purposes of this section, "taxpayer" does not include the owner or

operator of a qualified business.

SEC. 7. Section 17220 of the Revenue and Taxation Code is amended to read:

17220. (a) No deduction shall be allowed for any of the following:

(1) State, local, and foreign income, war profits, and excess profits taxes.

(2) Sales tax paid or incurred in connection with the purchase of qualified property for which a tax credit is claimed pursuant to Section 17052.13.

(b) A deduction shall be allowed for standby or availability charges or special taxes for fire suppression and police protection services imposed pursuant to Chapter 397 of the Statutes of 1979.

SEC. 8. Section 17260.1 is added to the Revenue and Taxation Code, to read:

17260.1. The disallowance of a deduction pursuant to Section 17260 shall not apply to expenditures for which a deduction is allowed under Section 17213.5 or 17265.

SEC. 9. Section 17265 is added to the Revenue and Taxation Code, to read:

17265. (a) A taxpayer may elect to treat 40 percent of the cost of any Section 17265 property as an expense which is not chargeable to capital account. Any cost so treated shall be allowed as a deduction for the taxable year in which the Section 17265 property is placed in service.

(b) In the case of a husband and wife filing separate returns for a taxable year, the applicable amount under subdivision (a) shall be equal to 50 percent of the percentage specified in subdivision (a).

(c) (1) An election under this section for any taxable year shall—

(A) Specify the items of Section 17265 property to which the election applies and the percentage of the cost of each of those items which is to be taken into account under subdivision (a).

(B) Be made on the taxpayer's return of the tax imposed by this chapter for the taxable year.

This election shall be made in the time, form, and manner which the Franchise Tax Board may prescribe.

(2) Any election made under this section, and any specification contained in that election, may not be revoked except with the consent of the Franchise Tax Board.

(d) (1) For purposes of this section, "Section 17265 property" means machinery and machinery parts used for fabricating, processing, assembling, and manufacturing machinery and machinery parts used for the production of renewable energy resources or air or water pollution control mechanisms.

"Section 17265 Property" also means property used as an integral part of a qualified business within a program area (as defined in Section 7082 of the Government Code).

(2) For purposes of paragraph (1), "purchase" means any acquisition of property, but only if—

(A) The property is not acquired from a person whose relation-

ship to the person acquiring it would result in the disallowance of losses under Section 267 or Section 707(b) of the Internal Revenue Code (but, in applying Sections 267(b) and 267(c) for purposes of this section, Section 267(c)(4) shall be treated as providing that the family of an individual shall include only the individual's spouse, ancestors, and lineal descendants),

(B) The basis of the property in the hands of the person acquiring it is not determined—

(i) In whole or in part by reference to the adjusted basis of that property in the hands of the person from whom it is acquired, or

(ii) Under Sections 18032 and 18033 (relating to property acquired from a decedent).

(3) For purposes of this section, the cost of property does not include so much of the basis of the property as is determined by reference to the basis of other property held at any time by the person acquiring the property.

(4) This section shall not apply to estates and trusts.

(5) This section shall not apply to any Section 17265 property purchased by any person described in Section 46(e)(3) of the Internal Revenue Code of 1954, as amended January 1, 1982, unless the credit under Section 38 of the Internal Revenue Code of 1954, as amended January 1, 1982, is allowable with respect to that person from that property (determined without regard to this section).

(6) In the case of a partnership, the percentage limitation specified in subdivision (a) shall apply with respect to the partnership and with respect to each partner.

(e) For purposes of this section, "taxpayer" means a taxpayer who conducts a qualified business within a program area (as defined in Section 7082 of the Government Code).

(f) Any taxpayer who elects to be subject to this section shall not be entitled to claim additional depreciation pursuant to Section 17252 with respect to any property which constitutes Section 17265 property; however, the taxpayer may claim depreciation by any method permitted by Section 17250, commencing with the taxable year following the taxable year in which the Section 17265 property is placed in service.

(g) The aggregate cost which may be taken into account under subdivision (a) for any taxable year shall not exceed the following applicable amount for the taxable year of the designation of a program area and taxable years thereafter·

	The applicable amount is:
Taxable year of designation	$5,000
1st taxable year thereafter	$5,000
2nd taxable year thereafter	$7,500
3rd taxable year thereafter	$7,500
Each taxable year thereafter	$10,000

SEC. 10. Section 17276 of the Revenue and Taxation Code is amended to read:

17276. Except as provided in Sections 17201.5 and 17276.2, no deduction shall be allowed as provided by Section 172 of the Internal Revenue Code, relating to net operating losses.

SEC. 11. Section 17276.2 is added to the Revenue and Taxation Code, to read:

17276.2. (a) There shall be allowed to a taxpayer engaged in the conduct of a qualified business within a program area (as defined in Section 7082 of the Government Code) as a deduction for the taxable year an amount equal to the net operating loss carryovers to that year.

(b) A net operating loss for any taxable year beginning on or after the date that the taxpayer becomes a qualified business shall be a net operating loss carryover to each of the three taxable years following the taxable year of loss.

(c) The entire amount of the net operating loss for any taxable year (hereinafter in this section referred to as the "loss year") shall be carried to the earliest of the taxable years to which the loss may be carried The portion of the loss which shall be carried to each of the other taxable years shall be the excess, if any, of the amount of the loss over the sum of the taxable income for each of the prior taxable years to which the loss may be carried. For purposes of the preceding sentence, the taxable income for any prior taxable year shall be computed:

(1) With the modifications specified in subdivision (e) other than paragraphs (1) and (4), thereof; and

(2) By determining the amount of the net operating loss deduction without regard to the net operating loss for the loss year or for any taxable year thereafter, and the taxable income so computed shall not be considered to be less than zero.

(d) For purposes of this section:

(1) "Net operating loss" means the loss attributed to the business activities of the taxpayer within the program area (as defined in Section 7082 of the Government Code). Such attributed loss shall be determined in accord with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17 of Part 11 of Division 2.

(2) A net operating loss carryover shall be a deduction only with respect to income attributed to the business activities of the taxpayer within the program area (as defined in Section 7082 of the Government Code) determined in accord with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17 of Part 11 of Division 2.

(3) In applying the factor formula apportionment method described in paragraphs (1) and (2), total taxable income or loss of the taxpayer shall be computed with the modification provided in subdivision (e).

(e) The modifications referred to in paragraph (1) of subdivision

(c) are as follows:

(1) No net operating loss deduction shall be allowed.

(2) (A) The amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includable on account of gains from sales or exchanges of capital assets.

(B) The exclusion from recognition of gain for sales or exchanges of capital assets provided by paragraph (2) or (3) of subdivision (a) of Section 18162.5 shall not be allowed.

(3) The deductions allowable by this part which are not attributable to a taxpayer's trade or business shall be allowed only to the extent of the amount of the gross income not derived from the trade or business. For purposes of the preceding sentence:

(A) Any gain or loss from the sale or other disposition of:

(i) Property, used in the trade or business, of a character which is subject to the allowance for depreciation provided in Section 17250, or

(ii) Real property used in the trade or business shall be treated as attributable to the trade or business.

(B) The modifications specified in paragraph (1) and subparagraph (B) of paragraph (2) shall be taken into account.

(C) Any deduction allowable under Section 165(c) of the Internal Revenue Code (relating to casualty losses) shall not be taken into account.

(D) Any deduction allowed under Sections 404(a) to 404(h), inclusive, or Section 405(c) of the Internal Revenue Code to the extent attributable to contributions which are made on behalf of an individual who is an employee within the meaning of paragraph (1) of Section 401(c) of the Internal Revenue Code shall not be treated as attributable to the trade or business of that individual.

(4) The zero bracket amount shall be treated as a deduction allowed by this chapter. For purposes of subdivision (d):

(A) The deduction provided by the preceding sentence shall be in lieu of any itemized deductions of the taxpayer.

(B) That sentence shall not apply to an individual who elects to itemize deductions.

(f) In determining the amount of any net operating loss carryover to any taxable year, the necessary computations involving any other taxable year shall be made under the law applicable to that other taxable year.

(g) A taxpayer who is allowed a net operating loss deduction pursuant to this section shall not be allowed such a deduction under any other provision of state law.

SEC. 12. Section 17556 is added to the Revenue and Taxation Code, to read:

17556. (a) In the case of an installment sale of Section 17213.5 or 17265 property, Section 453(a) of the Internal Revenue Code shall not apply and, for purposes of this part, all payments to be received shall be deemed received in the year of disposition.

(b) Subdivision (a) shall apply only to the extent of the amount

allowed as a deduction under Section 17213.5 or 17265 with respect to Section 17213.5 and 17265 property.

SEC. 13. Section 23612 is added to the Revenue and Taxation Code, to read:

23612. (a) There shall be allowed as a credit against the taxes imposed by this part (except the minimum franchise tax and the tax on preference income) for the income year an amount equal to the sales tax paid or incurred by the taxpayer in connection with the purchase of qualified property.

(b) For purposes of this section:

(1) "Taxpayer" means a qualified business as defined in Section 7082 of the Government Code.

(2) "Qualified property" means machinery and machinery parts used for fabricating, processing, assembling, and manufacturing and machinery and machinery parts used for the production of renewable energy resources or air or water pollution control mechanisms.

(c) In the case where the credit allowed under this section exceeds the taxes imposed by this part (except the minimum franchise tax and the tax on preference income) for the income year, that portion of the credit which exceeds those taxes may be carried over to the taxes imposed by this part (except the minimum franchise tax and the tax of preference income) in succeeding income years, until the credit is used The credit shall be applied first to the earliest years possible.

(d) Any taxpayer who elects to be subject to this section shall not be entitled to claim a deduction pursuant to Section 24345 with respect to sales tax paid or incurred in connection with the purchase of qualified property.

(e) The amount of the credit provided by this section shall not exceed the amount of tax which would be imposed on the income attributed to business activities of the taxpayer within the program area (as defined in Section 7082 of the Government Code) as if such attributed income represented all of the net income of the taxpayer subject to tax under this part. The amount of such attributed income shall be determined in accord with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17 of this part.

SEC. 14. Section 24313 is added to the Revenue and Taxation Code, to read:

24313. Gross income does not include any income derived by a taxpayer from any investment solely in the program area (as defined by Section 7082 of the Government Code) made after the effective date of this section in a qualified business (as defined in Section 7082 of the Government Code) which is located within a targeted economic development area or a neighborhood economic development area (as described in Section 7084 of the Government Code). For purposes of this section, "taxpayer" does not include the owner or operator of a qualified business.

SEC. 15. Section 24333 is added to the Revenue and Taxation

Code, to read:

24333. (a) There shall be allowed as a credit against the tax imposed by this part for the income year (except the minimum franchise tax and the tax on preference income) for the income year the amount determined in subdivisions (c) and (d) for a qualified business which hires a qualified employee.

(b) For purposes of this section:

(1) "Qualified business" means a qualified business, as defined in Section 7082 of the Government Code, and any financial institution which, except for the prohibition contained in subdivision (i) of Section 7082 of the Government Code, otherwise meets that definition.

(2) "Qualified employee" means an employee who has been an unemployed resident of a high density unemployment area (as defined in Section 7082 of the Government Code) prior to being employed by the qualified business.

(c) The credit provided for each qualified employee who has been unemployed for at least six months prior to being employed pursuant to paragraph (a) shall be as follows:

(1) Six hundred dollars ($600) for the first six months of employment.

(2) Six hundred dollars ($600) for the second six months of employment.

(3) Seven hundred dollars ($700) for the second year of employment.

(d) The credit provided for each qualified employee who has been unemployed for at least three months but less than six months prior to being employed shall be five hundred dollars ($500) for the first year of employment; however, the credit for the second year of employment shall be that provided in paragraph (3) of subdivision (c).

(e) In the case where the credit allowed under this section exceeds the taxes imposed by this part for the income year (except the minimum franchise tax and the tax on preference income) that portion of the credit which exceeds those taxes may be carried over to the taxes imposed by this part (except the minimum franchise tax and the tax on preference income) in succeeding income years until the credit is used. The credit shall be applied first to the earliest income years possible.

(f) The allowance of a credit under this section shall not authorize the allowance of a credit under any other provision of state law.

(g) The amount of the credit provided by this section shall not exceed the amount of tax which would be imposed on the income attributed to business activities of the taxpayer within the program area (as defined in Section 7082 of the Government Code) as if such attributed income represented all of the net income of the taxpayer subject to tax under this part. The amount of such attributed income shall be determined in accord with the factor formula apportionment method provided in Article 2 (commencing with Section

25120) of Chapter 17 of Part 11 of Division 2.

SEC. 16. Section 24342.5 is added to the Revenue and Taxation Code, to read:

24342.5. (a) There shall be allowed to a taxpayer engaged in the conduct of a qualified business within a program area (as defined in Section 7082 of the Government Code) as a deduction for the income year an amount equal to the aggregate of the net operating loss carryovers to that year.

(b) Except as provided in paragraph (1), a net operating loss for any income year beginning on or after the date that the taxpayer becomes a qualified business shall be a net operating loss carryover to each of three income years following the income year of loss.

(1) In the case of a financial institution to which Section 585, 586, or 593 of the Internal Revenue Code of 1954 applies, a net operating loss for any income year beginning on or after January 1, 1984, shall be a net operating loss carryover to each of the three income years following the income year of the loss.

(2) The entire amount of the net operating loss for any income year (hereinafter in this section referred to as the "loss year") shall be carried to the earliest of the income years to which that loss may be carried. The portion of the loss which shall be carried to each of the other income years shall be the excess, if any, of the amount of the loss over the sum of the taxable income for each of the prior income years to which the loss may be carried. For purposes of the preceding sentence, the taxable income for that prior income year shall be computed—

(A) With the modifications specified in subdivision (d) other than paragraphs (1) and (3) thereof; and

(B) By determining the amount of the net operating loss deduction without regard to the net operating loss for the loss year or for any income year thereafter;

and the taxable income so computed shall not be considered to be less than zero.

(c) For purposes of this section:

(1) "Net operating loss" means the loss attributed to the business activities of the taxpayer within the program area (as defined in Section 7082 of the Government Code). Such attributed loss shall be determined in accord with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17 of Part 11 of Division 2.

(2) A net operating loss carryover shall be a deduction only with respect to income attributed to the business activities of the taxpayer within the program area (as defined in Section 7082 of the Government Code) determined in accord with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17 of Part 11 of Division 2.

(3) In applying the factor formula apportionment method described in paragraphs (1) and (2), total taxable income or loss of the taxpayer shall be computed with the modification provided in sub-

division (d).

(d) The modifications referred to in subparagraph (A) of paragraph (2) of subdivision (b) are as follows:

(1) No net operating loss deduction shall be allowed.

(2) The amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includable on account of gains from sales or exchanges of capital assets.

(3) The deductions allowable by this part which are not attributable to a taxpayer's trade or business shall be allowed only to the extent of the amount of the gross income not derived from the trade or business. For purposes of the preceding sentence:

(A) Any gain or loss from the sale or other disposition of:

(i) Property, used in the trade or business, of a character which is subject to the allowance for depreciation provided in Section 24349, or

(B) Real property used in the trade or business, shall be treated as attributable to the trade or business.

(ii) The modification specified in paragraph (1) shall be taken into account.

(C) Any deduction allowed under Sections 24601 to 24610.5, inclusive, to the extent attributable to contributions which are made on behalf of an individual who is an employee within the meaning of paragraph (1) of Section 401(c) of the Internal Revenue Code shall not be treated as attributable to the trade or business of that individual.

(e) In determining the amount of any net operating loss carryover to any income year, the necessary computations involving any other income year shall be made under the law applicable to that other income year.

(f) In determining the amount of the net operating loss deduction under subdivision (a) of any taxpayer, there shall be disregarded the net operating loss of that taxpayer for any income year for which the taxpayer is an electing small business corporation under Subchapter S of the Internal Revenue Code of 1954.

SEC. 17. Section 24356.3 is added to the Revenue and Taxation Code, to read:

24356.3. (a) A taxpayer may elect to treat 40 percent of the cost of any Section 24356.3 property as an expense which is not chargeable to capital account. Any cost so treated shall be allowed as a deduction for the income year in which the Section 24356.3 property is placed in service.

(b) (1) An election under this section for any income year shall—

(A) Specify the items of Section 24356.3 property to which the election applies and the percentage of the cost of each of those items which is to be taken into account under subdivision (a).

(B) Be made on the taxpayer's return of the tax imposed by this chapter for the income year.

This election shall be made in the manner which the Franchise Tax Board may by regulations prescribe.

(2) Any election made under this section, and any specification contained in that election, may not be revoked except with the consent of the Franchise Tax Board.

(c) (1) For purposes of this section, "Section 24356.3 property" means machinery and machinery parts used for fabricating, processing, assembling, and manufacturing and machinery and machinery parts used for the production of renewable energy resources or air or water pollution control mechanisms.

"Section 24356.3 Property" also means property used as an integral part of a qualified business within a program area (as defined in Section 7082 of the Government Code).

(2) For purposes of paragraph (1), "purchase" means any acquisition of property, but only if—

(A) The property is not acquired from a person whose relationship to the person acquiring it would result in the disallowance of losses under Section 24427 through 24429 (but, in applying Sections 24428 and 24429 for purposes of this section, subdivision (d) of Section 24429 shall be treated as providing that the family of an individual shall include only his spouse, ancestors, and lineal descendants),

(B) The property is not acquired by one component member of an affiliated group from another component member of the same affiliated group, and

(C) The basis of the property in the hands of the person acquiring it is not determined in whole or in part by reference to the adjusted basis of that property in the hands of the person from whom it is acquired.

(3) For purposes of this section, the cost of property does not include so much of the basis of that property as is determined by reference to the basis of other property held at any time by the person acquiring that property.

(4) This section shall not apply to any Section 24356.3 property purchased by any person described in Section 46(e) (3) of the Internal Revenue Code of 1954, as amended January 1, 1982, unless the credit under Section 38 of the Internal Revenue Code of 1954, as amended January 1, 1982, is allowable with respect to that person for that property (determined without regard to this section).

(5) For purposes of subdivision (b) of this section—

(A) All component members of an affiliated group shall be treated as one taxpayer.

(B) The taxpayer shall apportion the dollar limitation contained in subdivision (b) among the component members of the affiliated group in whatever manner the board shall by regulations prescribe

(6) For purposes of paragraphs (2) and (5), "affiliated group" has the meaning assigned to it by Section 1504 of the Internal Revenue Code of 1954, except that, for these purposes, the phrase "more than 50 percent" shall be substituted for the phrase "at least 80 percent" each place it appears in Section 1504(a) of the Internal Revenue Code of 1954.

(d) For purposes of this section, "taxpayer" means a taxpayer who

conducts a qualified business within a program area (as defined in Section 7082 of the Government Code).

(e) Any taxpayer who elects to be subject to this section shall not be entitled to claim additional depreciation pursuant to Section 24356 with respect to any property which constitutes Section 24356.2 property; however, the taxpayer may claim depreciation by any method permitted by Section 24349 commencing with the income year following the income year in which Section 24356.3 property is placed in service.

(f) The aggregate cost which may be taken into account under subdivision (a) for any income year shall not exceed the following applicable amount for the income year of the designation of a program area and income years thereafter:

	The applicable amount is:
Income year of designation	$5,000
1st income year thereafter	$5,000
2nd income year thereafter	$7,500
3rd income year thereafter	$7,500
Each income year thereafter	$10,000

SEC. 18. Section 24422.1 is added to the Revenue and Taxation Code, to read:

24422.1. The disallowance of a deduction pursuant to subdivision (a) of Section 24422 shall not apply to expenditures for which a deduction is allowed under Section 24356.3.

SEC. 19. Section 24667 of the Revenue and Taxation Code is amended to read:

24667. (a) Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this part under the installment method.

(b) For purposes of this section—

(1) The term "installment sale" means a disposition of property where at least one payment is to be received after the close of the income year in which the disposition occurs.

(2) The term "installment sale" does not include—

(A) A disposition of personal property on the installment plan by a person who regularly sells or otherwise disposes of personal property on the installment plan.

(B) A disposition of personal property of a kind which is required to be included in the inventory of the taxpayer if on hand at the close of the income year.

(c) For purposes of this section, the term "installment method" means a method under which the income recognized for any income year from a disposition is that proportion of the payments received in that year which the gross profit (realized or to be realized when payment is completed) bears to the total contract price.

(d) (1) Subdivision (a) shall not apply to any disposition if the

taxpayer elects to have subdivision (a) not apply to such disposition.

(2) Except as otherwise provided, an election under paragraph (1) with respect to a disposition may be made only on or before the due date prescribed by law (including extensions) for filing the taxpayer's return of the tax imposed by this part for the income year in which the disposition occurs. Such an election shall be made in the manner prescribed by the Franchise Tax Board.

(3) An election under paragraph (1) with respect to any disposition may be revoked only with the consent of the Franchise Tax Board.

(e) (1) If—

(A) Any person disposes of property to a related person (hereinafter in this subdivision referred to as the "first disposition"), and

(B) Before the person making the first disposition receives all payments with respect to such disposition, the related person disposes of the property (hereinafter in this subdivision referred to as the "second disposition"),

then, for purposes of this section, the amount realized with respect to such second disposition shall be treated as received at the time of the second disposition by the person making the first disposition.

(2) (A) Except in the case of marketable securities, paragraph (1) shall apply only if the date of the second disposition is not more than two years after the date of the first disposition.

(B) The running of the two-year period set forth in subparagraph (A) shall be suspended with respect to any property for any period during which the related person's risk of loss with respect to the property is substantially diminished by—

(i) The holding of a put with respect to such property (or similar property),

(ii) The holding by another person of a right to acquire the property, or

(iii) A short sale or any other transaction.

(3) The amount treated for any income year as received by the person making the first disposition by reason of paragraph (1) shall not exceed the excess of—

(A) The lesser of—

(i) The total amount realized with respect to any second disposition of the property occurring before the close of the income year, or

(ii) The total contract price for the first disposition, over

(B) The sum of—

(i) The aggregate amount of payments received with respect to the first disposition before the close of such year, plus

(ii) The aggregate amount treated as received with respect to the first disposition for prior income years by reason of this subdivision.

(4) For purposes of this subdivision, if the second disposition is not a sale or exchange, an amount equal to the fair market value of the property disposed of shall be substituted for the amount realized.

(5) If paragraph (1) applies for any income year, payments re-

ceived in subsequent income years by the person making the first disposition shall not be treated as the receipt of payments with respect to the first disposition to the extent that the aggregate of such payments does not exceed the amount treated as received by reason of paragraph (1).

(6) For purposes of this subdivision—

(A) Any sale or exchange of stock to the issuing corporation shall not be treated as a first disposition.

(B) A compulsory or involuntary conversion (within the meaning of Section 24944) and any transfer thereafter shall not be treated as a second disposition if the first disposition occurred before the threat or imminence of the conversion.

(C) Any transfer after the earlier of—

(i) The death of the person making the first disposition, or

(ii) The death of the person acquiring the property in the first disposition,

and any transfer thereafter shall not be treated as a second disposition.

(7) This subdivision shall not apply to a second disposition (and any transfer thereafter) if it is established to the satisfaction of the Franchise Tax Board that neither the first disposition nor the second disposition had as one of its principal purposes the avoidance of bank and corporation tax.

(8) The period for assessing a deficiency with respect to a first disposition (to the extent such deficiency is attributable to the application of this subdivision) shall not expire before the day which is two years after the date on which the person making the first disposition furnishes (in such manner as the Franchise Tax Board may prescribe) a notice that there was a second disposition of the property to which this subdivision may have applied. Such deficiency may be asessed notwithstanding the provisions of any law or rule of law which would otherwise prevent such assessment.

(f) For purposes of this section—

(1) Except for purposes of subdivisions (g) and (h), the term "related person" means a person whose stock would be attributed under Section 24497 (other than subdivision (d) thereof) to the person first disposing of the property.

(2) The term "marketable securities" means any security for which, as of the date of the disposition, there was a market on an established securities market or otherwise.

(3) Except as provided in paragraph (4), the term "payment" does not include the receipt of evidences of indebtedness of the person acquiring the property (whether or not payment of such indebtedness is guaranteed by another person).

(4) Receipt of a bond or other evidence of indebtedness which—

(A) Is payable on demand, or

(B) Is issued by a corporation or a government or political subdivision thereof and is readily tradable,

shall be treated as receipt of payment.

(5) For purposes of paragraph (4), the term "readily tradable" means a bond or other evidence of indebtedness which is issued—

(A) With interest coupons attached or in registered form (other than one in registered form which the taxpayer establishes will not be readily tradable in an established securities market), or

(B) In any other form designed to render such bond or other evidence of indebtedness readily tradable in an established securities market.

(6) In the case of any exchange described in subdivision (b) of Section 24941—

(A) The total contract price shall be reduced to take into account the amount of any property permitted to be received in such exchange without recognition of gain,

(B) The gross profit from such exchange shall be reduced to take into account any amount not recognized by reason of subdivision (b) of Section 24941, and

(C) The term "payment," when used in any provision of this section other than paragraph (1) of subdivision (b), shall not include any property permitted to be received in such exchange without recognition of gain.

Similar rules shall apply in the case of an exchange which is described in Section 24535 and is not treated as a dividend.

(7) The term "depreciable property" means property of a character which (in the hands of the transferee) is subject to the allowance for depreciation provided in Section 24349.

(g) (1) In the case of an installment sale of depreciable property between related persons within the meaning of subdivision (b) of Section 1239 of the Internal Revenue Code, subdivision (a) shall not apply, and, for purposes of this part, all payments to be received shall be deemed received in the year of the disposition.

(2) Paragraph (1) shall not apply if it is established to the satisfaction of the Franchise Tax Board that the disposition did not have as one of its principal purposes the avoidance of bank and corporation tax.

(h) (1) (A) If, in connection with a liquidation to which Section 24512 applies, in a transaction to which Section 24501 applies the shareholder receives (in exchange for the shareholder's stock) an installment obligation acquired in respect of a sale or exchange by the corporation during the 12-month period set forth in subdivision (b) of Section 24512, then, for purposes of this section, the receipt of payments under such obligation (but not the receipt of such obligation) by the shareholder shall be treated as the receipt of payment for the stock.

(B) Subparagraph (A) shall not apply to an installment obligation described in paragraph (2) of subdivision (a) of Section 24513 unless such obligation is also described in paragraph (2) of subdivision (b) of Section 24513.

(C) If the obligor of any installment obligation and the shareholder are related persons (within the meaning of subdivision (b) of

Section 1239 of the Internal Revenue Code), to the extent such installment obligation is attributable to the disposition by the corporation of depreciable property—

(i) Subparagraph (A) shall not apply to such obligation, and

(ii) For purposes of this part, all payments to be received by the shareholder shall be deemed received in the year the shareholder receives the obligation.

(D) For purposes of subparagraph (A) of paragraph (1) of subdivision (e), disposition of property by the corporation shall be treated also as disposition of such property by the shareholder.

(E) For purposes of subparagraph (A), in any case to which subdivision (c) of Section 24514 applies, an obligation acquired in respect of a sale or exchange by the selling corporation shall be treated as so acquired by the corporation distributing the obligation to the shareholder.

(2) If—

(A) Paragraph (1) applies with respect to any installment obligation received by a shareholder from a corporation, and

(B) By reason of the liquidation such shareholder receives property in more than one income year,

then, on completion of the liquidation, basis previously allocated to property so received shall be reallocated for all such income years so that the shareholder's basis in the stock of the corporation is properly allocated among all property received by such shareholder in such liquidation.

(i) (1) In the case of an installment sale of Section 24356.3 property, subdivision (a) shall not apply, and for purposes of this part, all payments to be received shall be deemed received in the year of disposition.

(2) Paragraph (1) shall apply only to the extent of the amount allowed as a deduction under Section 24356.3 with respect to Section 24356.3 property.

(j) (1) The Franchise Tax Board shall prescribe such regulations as may be necessary or appropriate to carry out the provisions of this section.

(2) The regulations prescribed under paragraph (1) shall include regulations providing for ratable basis recovery in transactions where the gross profit or the total contract price (or both) cannot be readily ascertained.

(k) The amendments made to this section by the act adding this subdivision shall be applicable in the computation of taxes for income years beginning on or after January 1, 1984.

SEC. 19.5. There is hereby appropriated the sum of eighty-five thousand dollars ($85,000) from the General Fund to the Department of Economic and Business Development for the purposes of this act. The funds appropriated herein shall remain available for expenditure only until July 1, 1985, and on that date shall revert to the General Fund.

SEC. 20. This act shall be applicable in the computation of taxes

for taxable or income years beginning on or after January 1, 1984.

SEC. 21. This bill shall become operative only if Assembly Bill No. 40 of the 1983–84 Regular Session is chaptered and takes effect.

SEC. 22. Section 2.5 of this bill incorporates amendments to Section 54222 of the Government Code proposed by both this bill and AB 40. It shall become operative only if (1) both bills are enacted and become effective on or before January 1, 1985, but this bill becomes operative first, (2) each bill amends Section 54222 of the Government Code, and (3) this bill is enacted after AB 40, in which case Section 54222 of the Government Code, as amended by Section 2 of this bill, shall remain operative only until the operative date of AB 40, at which time Section 2.5 of this bill shall become operative.

SEC. 23. This act is an urgency statute necessary for the immediate preservation of the public peace, health, and safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the provisions of this act become operative in time for the 1984 tax year, it is necessary that it take effect immediately.

CHAPTER 45

An act to amend Section 54222 of, and to add Chapter 12.8 (commencing with Section 7070) to Division 7 of Title 1 of, the Government Code, and to amend Sections 17260, 18037, 24422, 24667, and 24949.2 of, and to add Sections 17053.8, 17053.9, 17150, 17201.5, 17252.5, 17552.5, 24331, 24342, 24342.5, and 24356.2 to, the Revenue and Taxation Code, relating to enterprise zones, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 20, 1984. Filed with Secretary of State March 20, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 54222 of the Government Code is amended to read:

54222. Any agency of the state and any local agency disposing of surplus land shall, prior to disposing of that property, send a written offer to sell or lease the property as follows:

(a) A written offer to sell or lease for the purpose of developing low- and moderate-income housing shall be sent to any local agencies including, but not limited to, housing authorities or redevelopment agencies within whose jurisdiction the surplus land is located.

(b) A written offer to sell or lease for park and recreational purposes or open-space purposes shall be sent:

(1) To any park or recreation department of any city within which the land may be situated.

(2) To any park or recreation department of the county within which the land is situated.

(3) To any regional park authority having jurisdiction within the area in which the land is situated.

(4) To the State Resources Agency or any agency which may succeed to its powers.

(c) A written offer to sell or lease for enterprise zone purposes any surplus property in an area designated as an enterprise zone pursuant to Section 7073 shall be sent to the nonprofit neighborhood enterprise association corporation in that zone.

(d) The entity or association desiring to purchase or lease the surplus land for low- and moderate-income housing purposes, or for park or recreation purposes, or for open-space purposes, or for enterprise zone purposes, shall notify in writing the disposing agency of its intent to purchase or lease the land within 60 days after receipt of the agency's notification of intent to sell the land.

SEC. 1.5. Chapter 12.8 (commencing with Section 7070) is added to Division 7 of Title 1 of the Government Code, to read:

CHAPTER 12.8. ENTERPRISE ZONE ACT

Article 1. General Provisions and Definitions

7070. This chapter shall be known and may be cited as the "Enterprise Zone Act".

7071. The Legislature finds and declares that the health, safety, and welfare of the people of California depend upon the development, stability, and expansion of private business, industry, and commerce, and that there are certain areas within the state that are economically depressed due to a lack of investment in the private sector. Therefore, it is declared to be the purpose of this act to stimulate business and industrial growth in the depressed areas of the state by relaxing regulatory controls that impede private investment.

The Legislature further finds and declares that nothing in this chapter shall be construed to infringe upon regulations relating to civil rights, equal employment rights, equal opportunity rights, or fair housing rights of any person.

The Legislature further finds and declares that no enterprise zone shall be designated in which any boundary thereof is drawn in such a manner as to include larger stable businesses or heavily residential areas to the detriment of areas that are truly economically depressed.

7072. For purposes of this chapter:

(a) "Department" means the Department of Business and Economic Development.

(b) "Enterprise zone" means any area within a city, county, or city and county which is designated as such in accordance with the provisions of Section 7073.

(c) "Governing body" means a county board of supervisors or a city council, as appropriate.

(d) "High technology industries" include, but are not limited to, the computer, biological engineering, electronics, and telecommunications industries.

Article 2. Establishment of Enterprise Zones

7073. (a) The governing body of a city or county may, either by ordinance or resolution, propose the designation of any area or areas within its respective jurisdiction as an enterprise zone. A county may propose the designation of an enterprise zone within an unincorporated area, but shall not propose the designation of an enterprise zone in any incorporated area. This proposed designation shall be based upon findings by the governing body that the area so designated is a depressed area and that the designation as an enterprise zone is necessary in order to assist in attracting private sector investment in the area. The proposed designation shall establish definitive boundaries for an enterprise zone and, if approved by the department, the designation shall be binding for a period of 15 years.

(b) Following the proposed designation of an enterprise zone by a city or county, the governing body shall apply to the department for adoption of the proposed designation. The department shall adopt regulations and guidelines concerning the necessary contents of each application.

(c) From the applications received, the department may designate not more than 10 enterprise zones within the state, not more than two of which may be designated high technology enterprise zones.

(d) In designating enterprise zones, the department shall select from the applications submitted those proposed enterprise zones which, based on those applications, meet, to the extent possible, the following criteria:

(1) Those proposed enterprise zones which, upon a comparison of all of the applications submitted, indicate that they propose the most effective and comprehensive regulatory, tax, program, and other incentives in attracting private sector investment in the zone proposed.

For purposes of this paragraph, regulatory incentives include, but are not limited to, all of the following: the suspension or relaxation of locally originated or modified building codes, zoning laws, general development plans, or rent controls; the elimination or reduction of fees for applications, permits, and local government services; and the establishment of a streamlined permit process.

Tax incentives include, but are not limited to, the elimination or reduction of construction taxes or business license taxes.

Program and other incentives may include, but are not limited to, all of the following: the provision or expansion of infrastructure; the targeting of federal block grant moneys, including small cities, education, and health and welfare block grants; the targeting of

economic development grants and loan moneys, including grant and loan moneys provided by the federal Urban Development Action Grant program and the federal Economic Development Administration; the privatization of local government services; the targeting of state and federal job disadvantaged and vocational education grant moneys, including moneys provided by the federal Job Partnership Training Act of 1982; the targeting of federal or state transportation grant moneys; and the targeting of federal or state low-income housing and rental assistance moneys.

(2) Those proposed enterprise zones which, upon a comparison of all of the applications submitted, indicate the most innovative approach in meeting the requirements of paragraph (1).

(3) Those proposed enterprise zones which comprise areas which offer the greatest likelihood of being designated as federal enterprise zones.

(4) The proposed enterprise zone meets the guidelines for the federal Urban Development Action Grant program or the area within the proposed zone has experienced plant closures within the past two years affecting more than 100 workers.

(e) For purposes of this section, "high technology enterprise zone" means an enterprise zone which is intended to attract private sector investment in high technology industries and is proposed to be located in an area which would permit the association of those industries with an urban university or college.

7074. (a) Individuals residing within an enterprise zone may establish, under the provisions of this chapter, a nonprofit neighborhood enterprise association corporation for the purpose of providing technical and financial assistance to private sector investors within an enterprise zone. There shall be only one nonprofit neighborhood enterprise association corporation chartered for each geographic neighborhood area. The geographic neighborhood area to which each corporation applies shall be defined by the incorporating residents.

(b) The incorporating residents shall draft articles of incorporation and bylaws for a nonprofit corporation pursuant to provisions of the Nonprofit Corporation Law (Part 1 (commencing with Section 9000) of Division 2 of Title 1 of the Corporations Code). The articles and bylaws of each corporation shall provide for each of the following:

(1) Describe the geographic neighborhood area to which the incorporating association applies.

(2) Describe the manner in which a membership interest in that corporation shall be offered to each resident of the neighborhood.

(3) Contain provisions for the amendment of the articles and bylaws by a majority of the members.

(4) Authorize the corporation to engage in business only within the particular zone in which the neighborhood area of the corporation is located.

(c) The incorporating residents shall send to all eligible residents

of the corporation's neighborhood area each of the following:

(1) An explanation of the proposed new corporation and their rights in it.

(2) A copy of the corporate articles and bylaws.

(3) An offer of a membership interest to which each particular resident is entitled without any charge for that membership.

(d) The board of directors of the corporation shall, upon approval of a majority of the members of the local legislative body of the appropriate jurisdiction, apply to the Secretary of State for certification of its articles of incorporation establishing the corporation as a neighborhood enterprise association corporation. The Secretary of State shall provide technical assistance to zone residents attempting to incorporate under this section.

(e) All property which is owned by the state or local government within the neighborhood area of a certified corporation and is not in current use by that government and which is not necessary for a public purpose of the state or local agency owning the property may be leased to the corporation at terms to be specified. Any lease agreement so executed shall permit the corporation to sublease or assign its leasehold interest to private entities conducting or intending to conduct business operations within the zone. The lease may be renewed upon expiration if the corporation has continuously complied with the requirements of this chapter.

7075. Any city, county, or city and county which proposes the designation of an area within its jurisdiction as an enterprise zone shall, following the department's designation of that area as an enterprise zone, develop an environmental impact report which sets forth the potential environmental impacts of any and all development within the enterprise zone. The environmental impact report shall meet the requirements of the California Environmental Quality Act. No further environmental impact report shall be required for any project within the enterprise zone if the city, county, or city and county determines that the effects of the project were either (1) mitigated or avoided as a result of the environmental impact report prepared for the zone, or (2) examined at a sufficient level of detail in the environmental impact report for the zone to enable those effects to be mitigated or avoided by specific site revisions, the imposition of conditions, or other means in connection with the approval of the project

7076. (a) The department shall design, develop, and make available the applications and the criteria for selection of enterprise zones, and shall adopt all regulations necessary to carry out the provisions of Section 7073.

(b) The applications, selection criteria, and all necessary regulations shall be adopted and made available not later than 150 days following the effective date of this chapter.

(c) The department may commence the designation of areas for the program on the effective date of the regulations described in subdivision (a) and shall complete those designations as

expeditiously as practicable, but in no event later than two years from the effective date of this chapter.

7077. If AB 40 and AB 514 are both chaptered, an area may only be designated as an enterprise zone under either this chapter or Chapter 12.9 (commencing with Section 7080).

SEC. 2. Section 17053.8 is added to the Revenue and Taxation Code, to read:

17053.8. (a) There shall be allowed as credit against the "net tax" (as defined in Section 17039) for the taxable year an amount equal to the sum of each of the following:

(1) Fifty percent for qualified wages in year 1.

(2) Forty percent for qualified wages in year 2.

(3) Thirty percent for qualified wages in year 3.

(4) Twenty percent for qualified wages in year 4.

(5) Ten percent for qualified wages in year 5.

(b) For purposes of this section:

(1) "Qualified wages" means the wages paid or incurred by the employer during the taxable year to qualified disadvantaged individuals reduced by the amount of any federally funded payments the employer receives or is entitled to receive for on-the-job training of those individuals for that period. "Qualified wages" shall not exceed 150 percent of the minimum wage.

(2) "Qualified years 1 through 5 wages" means, with respect to any individual, qualified wages received during the 60-month period beginning with the day the business commences within an enterprise zone.

(3) "Minimum wage" means the wage established by the Industrial Welfare Commission as provided for in Chapter 1 (commencing with Section 1171) of Part 4 of Division 2 of the Labor Code.

(c) For purposes of this section:

(1) "Qualified disadvantaged individual" means an individual—

(A) Who is a qualified employee within the meaning of subdivision (d).

(B) Who is hired by the employer after the designation of the area in which services were performed as an enterprise zone (under Section 7073 of the Government Code).

(C) Who is described in paragraph (2).

(2) For purposes of paragraph (1), any of the following individuals are disadvantaged individuals:

(A) A vocational rehabilitation referral.

(B) An economically disadvantaged individual.

(C) An eligible foster child.

(D) An SSI recipient.

(E) A general assistance recipient.

(F) An eligible handicapped individual.

(G) An eligible AFDC recipient.

(3) "Vocational rehabilitation referral" means any individual who is certified by the designated local agency as—

(A) Having a physical or mental disability which, for that individual, constitutes or results in a substantial handicap to employment, and

(B) Having been referred to the employer upon completion of (or while receiving) rehabilitative services pursuant to—

(i) An individualized written rehabilitation plan under a state plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973, or

(ii) A program of vocational rehabilitation carried out under Chapter 31 of Title 38 of the United States Code.

(4) "Economically disadvantaged individual" means any individual who is certified by the designated local agency as being a member of a family that had an income during the six months preceding the month in which the determination occurs that, on an annual basis, was equal to or less than that which an eligible family with no income would have received in food stamps plus AFDC benefits. Any determination in that regard shall be valid for the 45-day period beginning on the date the determination is made.

(5) "Eligible foster child" means any individual who is certified by the designated local agency as receiving state or local government benefits under a program to assist foster children.

(6) "SSI recipient" means any individual who is certified by the designated local agency as receiving supplemental security income benefits under Title XVI of the Social Security Act (including supplemental security income benefits of the type described in Section 1616 of that act or Section 212 of Public Law 93-66) for any month ending in the preemployment period, or who would have qualified to receive those benefits had that individual applied for them.

(7) (A) "General assistance recipient" means any individual who is certified by the designated local agency as receiving assistance under a qualified general assistance program for any period of not less than 30 days ending within the preemployment period, or who would have qualified to receive that assistance had that individual applied for it.

(B) "Qualified general assistance program" means any program of this state or a political subdivision thereof—

(i) Which provides general assistance or similar assistance which—

(I) Is based on need.

(II) Consists of money payments, and

(ii) Which is designated by the Franchise Tax Board (after consultation with the State Department of Social Services) as meeting the requirements of clause (i).

(8) "Eligible handicapped individual" means any individual who is certified by the designated local agency—

(A) As disabled and living at home, or

(B) Who is institutionalized or receiving services in, or is a client of, a sheltered workshop, prison, hospital, or similar institution, or in

community care.

(9) "Eligible AFDC recipient" means an individual who has been certified by the designated local agency as being eligible for financial assistance under Part A of Title IV of the Social Security Act and as having continually received that financial assistance during the 90-day period which immediately precedes the date on which that individual is hired by the employer, or who would have received that assistance had that individual applied for it.

(10) "Preemployment period" means the 60-day period ending on the hiring date.

(11) "Hiring date" means the day the individual is hired by the employer.

(12) "Designated local agency" means a state employment security agency established in accordance with 29 U.S.C.A. Secs. 49-49n, inclusive.

(13) (A) An individual shall not be treated as a qualified disadvantaged individual unless, on or before the day on which that individual begins work for the employer, the employer—

(i) Had received a certification from a designated local agency that the individual is a qualified disadvantaged individual, or

(ii) Has requested in writing the certification from the designated local agency.

(B) If—

(i) An individual has been certified as a qualified disadvantaged individual, and

(ii) That certification is incorrect because it was based on false information provided by that individual, the certification shall be revoked and wages paid by the employer after the date on which notice of revocation is received by the employer shall not be treated as qualified wages.

(d) (1) For purposes of this section: "qualified employee" means an individual—

(A) At least 90 percent of whose services for the taxpayer during the taxable year are directly related to the conduct of the taxpayer's trade or business located in an enterprise zone, and

(B) Who performs at least 50 percent of his or her services for the taxpayer during the taxable year in an enterprise zone.

(2) "Qualified employee" shall not include an individual with respect to whom the employer claims any credit under Section 40 of Internal Revenue Code (relating to expenses of work incentives programs) or 44B of Internal Revenue Code (relating to credit for employment of certain new employees) for that period.

(e) (1) For purposes of this section:

(A) All employees of trades or businesses (which are not incorporated) which are under common control shall be treated as employed by a single employer, and

(B) The credit (if any) allowable by this section with respect to each trade or business shall be determined by reference to its proportionate share of the qualified wages giving rise to the credit.

The regulations prescribed under this paragraph shall be based on principles similar to the principles which apply in the case of controlled groups of corporations as specified in subdivision (e) of Section 24331.

(2) If an employer acquires the major portion of a trade or business of another employer (hereinafter in this paragraph referred to as the "predecessor") or the major portion of a separate unit of a trade or business of a predecessor, then, for purposes of applying this section (other than subdivision (f)) for any calendar year ending after that acquisition, the employment relationship between an employee and an employer shall not be treated as terminated if the employee continues to be employed in that trade or business.

(f) (1) If the employment of any employee, with respect to whom qualified wages are taken into account under subdivision (a) is terminated by the taxpayer at any time during the first 270 days of that employment (whether or not consecutive) or before the close of the 270th calendar day after the day in which that employee completes 90 days of employment with the taxpayer, the tax imposed by this part for the taxable year in which that employment is terminated shall be increased by an amount (determined under those regulations) equal to the credit allowed under subdivision (a) for that taxable year and all prior taxable years attributable to qualified wages paid or incurred with respect to that employee.

(2) (A) Paragraph (1) shall not apply to any of the following:

(i) A termination of employment of an employee who voluntarily leaves the employment of the taxpayer.

(ii) A termination of employment of an individual who, before the close of the period referred to in paragraph (1), becomes disabled to perform the services of that employment, unless that disability is removed before the close of that period and the taxpayer fails to offer reemployment to that individual.

(iii) A termination of employment of an individual, if it is determined under the applicable employment compensation provisions that the termination was due to the misconduct of that individual.

(iv) A termination of employment of an individual due to a substantial reduction in the trade or business operations of the taxpayer.

(v) A termination of employment of an individual, if that individual is replaced by other qualified employees so as to create a net increase in employment.

(B) For purposes of paragraph (1), the employment relationship between the taxpayer and an employee shall not be treated as terminated by reason of a mere change in the form of conducting the trade or business of the taxpayer, if the employee continues to be employed in that trade or business and the taxpayer retains a substantial interest in that trade or business.

(3) Any increase in tax under paragraph (1) shall not be treated as tax imposed by this part for purposes of determining the amount

of any credit allowable under this part.

(g) In the case of an estate or trust—

(A) The qualified wages for any taxable year shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each, and

(B) Any beneficiary to whom any qualified wages have been apportioned under paragraph (A) shall be treated (for purposes of this part) as the employer with respect to those wages.

(h) For purposes of this section, "enterprise zone" means an area for which designation as an enterprise zone is in effect under Section 7073 of the Government Code.

(i) No credit shall be allowed under Section 17053.7 for that portion of the wages or salaries paid or incurred for the taxable year which is equal to the amount of the credit allowable under this section.

In addition, no deduction shall be allowed as provided in Section 162 of the Internal Revenue Code for that portion of the wages or salaries paid or incurred for the taxable year which is equal to the amount of the credit allowable under this section.

(j) If a federal income tax credit is enacted for costs incurred by a taxpayer for the payment of qualified wages to qualified disadvantaged individuals in connection with employment in an enterprise zone, then to the extent that credit is allowed or allowable for qualified wages, as defined in this section, the state credit provided in this section shall be reduced so that the combined effective credit shall not exceed the applicable percentages specified in subdivision (a) and (b).

(k) In the case where the credit allowed under this section exceeds the net tax for the taxable year, that portion of the credit which exceeds the net tax may be carried over to the net tax in succeeding taxable years for the number of taxable years in which the designation of an enterprise zone under Section 7073 of the Government Code is operative, or 15 taxable years, if longer, until the credit is used. The credit shall be applied first to the earliest taxable years possible.

(*l*) The amount of the credit provided by this section shall not exceed the amount of tax which would be imposed on the income attributed to business activities of the taxpayer within the enterprise zone (as defined in Section 7073 of the Government Code) as if that attributed income represented all of the net income of the taxpayer subject to tax under this part. The amount of that attributed income shall be determined in accordance with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17 of Part 11.

(m) Where a credit is allowed under this section, no credit shall be allowed under Section 17053.7.

SEC. 3. Section 17053.9 is added to the Revenue and Taxation Code, to read:

17053.9. (a) In the case of a qualified employee, there is allowed

as a credit against the tax imposed by this chapter for the taxable year an amount equal to 5 percent of the qualified wages for the taxable year.

(b) For purposes of this section:

(1) "Qualified employee" means an individual—

(A) Who is described in subdivision (d) of Section 17053.8.

(B) Who is not an employee of the federal government or of this state or of any political subdivision of this state.

(2) (A) "Qualified wages" has the meaning given to the term "wages" under subsection (b) of Section 3306 of the Internal Revenue Code, attributable to services performed for an employer with respect to whom the employee is a qualified employee, in an amount which does not exceed one and one-half times the dollar limitation specified in that subsection.

(B) "Qualified wages" does not include any compensation received from the federal government or this state or any political subdivision of this state.

(3) "Enterprise zone" means any area with respect to which a designation as an enterprise zone is in effect under Section 7073.

(c) The credit specified in subdivision (a) shall be 5 percent in the taxable year in which the first anniversary of enterprise zone designation under Section 7073 falls.

(d) The credit provided in this section shall not exceed four hundred fifty dollars ($450) for each taxpayer. For each dollar of income received by the taxpayer in excess of qualified wages, as defined in this section, the credit shall be reduced by nine cents ($0.09).

(e) The amount of the credit provided by this section shall not exceed the amount of tax which would be imposed on the income attributed to business activities of the taxpayer within the enterprise zone (as defined in Section 7073 of the Government Code) as if that attributed income represented all of the net income of the taxpayer subject to tax under this part. The amount of that attributed income shall be determined in accordance with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17 of Part 11.

SEC. 4. Section 17150 is added to the Revenue and Taxation Code, to read:

17150. "Gross income" does not include any amount received by a taxpayer from any investment made after the effective date of this section in a development or project located on land situated within an enterprise zone established pursuant to the provisions of the Enterprise Zone Act. For purposes of this section, a "taxpayer" does not include the actual developer or owner of the development or project.

SEC. 5. Section 17201.5 is added to the Revenue and Taxation Code, to read:

17201.5. (a) There shall be allowed to a taxpayer engaged in the conduct of an active trade or business within an enterprise zone as

a deduction for the taxable year an amount equal to the net operating loss carryovers to that year.

(b) A net operating loss for any taxable year beginning on or after the date that the area in which the taxpayer conducts a trade or business is designated an enterprise zone shall be a net operating loss carryover to each following taxable year that ends before the expiration or revocation of the designation of the enterprise zone under Section 7073 or to each of 15 taxable years following the taxable year of loss, if longer.

(c) The entire amount of the net operating loss for any taxable year (hereinafter in this section referred to as the "loss year") shall be carried to the earliest of the taxable years to which the loss may be carried. The portion of the loss which shall be carried to each of the other taxable years shall be the excess, if any, of the amount of the loss over the sum of the taxable income for each of the prior taxable years to which the loss may be carried. For purposes of the preceding sentence, the taxable income for any prior taxable year shall be computed:

(1) With the modifications specified in subdivision (e) other than paragraphs (1) and (4), thereof; and

(2) By determining the amount of the net operating loss deduction without regard to the net operating loss for the loss year or for any taxable year thereafter;

and the taxable income so computed shall not be considered to be less than zero.

(d) For purposes of this section:

(1) "Net operating loss" means the loss attributed to the business activities of the taxpayer within the enterprise zone (as defined in Section 7073 of the Government Code). The attributed loss shall be determined in accordance with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17 of Part 11.

(2) A net operating loss carryover shall be a deduction only with respect to income attributed to the business activities of the taxpayer within the enterprise zone (as defined in Section 7073 of the Government Code) determined in accordance with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17 of Part 11.

(3) In applying the factor formula apportionment method specified in paragraphs (1) and (2), total taxable income or loss of the taxpayer shall be computed with the modifications provided in subdivision (e).

(4) "Taxpayer" means a taxpayer who commences the conduct of a trade or business within an enterprise zone designated pursuant to Section 7073 of the Government Code on or after that designation.

(e) The modifications referred to in paragraph (1) of subdivision (c) are as follows:

(1) No net operating loss deduction shall be allowed.

(2) (A) The amount deductible on account of losses from sales or

exchanges of capital assets shall not exceed the amount includable on account of gains from sales or exchanges of capital assets; and

(B) The exclusion from recognition of gain for sales or exchanges of capital assets provided by paragraph (2) or (3) of subdivision (a) of Section 18162.5 shall not be allowed.

(3) The deductions allowable by this part which are not attributable to a taxpayer's trade or business shall be allowed only to the extent of the amount of the gross income not derived from the trade or business. For purposes of the preceding sentence:

(A) Any gain or loss from the sale or other disposition of:

(i) Property, used in the trade or business, of a character which is subject to the allowance for depreciation provided in Section 17250, or

(ii) Real property used in the trade or business,

shall be treated as attributable to the trade or business.

(B) The modifications specified in paragraph (1) and subparagraph (B) of paragraph (2) shall be taken into account.

(C) Any deduction allowable under Section 165(c)(3) of the Internal Revenue Code (relating to casualty losses) shall not be taken into account.

(D) Any deduction allowed under subsections (a) to (h), inclusive, of Section 404 or Section 405(c) of the Internal Revenue Code to the extent attributable to contributions which are made on behalf of an individual who is an employee within the meaning of Section 401(c)(1) of the Internal Revenue Code shall not be treated as attributable to the trade or business of that individual.

(4) The standard deduction shall be treated as a deduction allowed by this chapter. For purposes of subdivision (d):

(A) The deduction provided by the preceding sentence shall be in lieu of any itemized deductions of the taxpayer, and

(B) That sentence shall not apply to an individual who elects to itemize deductions.

(f) In determining the amount of any net operating loss carryover to any taxable year, the necessary computations involving any other taxable year shall be made under the law applicable to that other taxable year.

SEC. 6. Section 17252.5 is added to the Revenue and Taxation Code, to read:

17252.5. (a) A taxpayer may elect to treat the cost of any Section 17252.5 property as a deduction under the terms of the accelerated cost recovery system of Section 168 of the Internal Revenue Code of 1954, as amended as of January 1, 1983, for any taxable year beginning in the year in which Section 17252.5 property is placed in service.

(b) In the case of a husband or wife filing separate returns for a taxable year in which a spouse is entitled to the deduction under subdivision (a), the applicable amount shall be equal to 50 percent of the amount otherwise determined under subdivision (a).

(c) (1) An election under this section for any taxable year shall—

(A) Specify the items of Section 17252.5 property to which the

election applies and the portion of the cost of each of those items which is to be taken into account under subdivision (a), and

(B) Be made on the taxpayer's return of the tax imposed by this chapter for the taxable year.

(2) Any election made under this section, and any specification contained in that election, may not be revoked except with the consent of the Franchise Tax Board.

(d) (1) For purposes of this section, "Section 17252.5 property" means any recovery property which is Section 38 property under the terms of the Internal Revenue Code of 1954, as amended as of January 1, 1982, and which is acquired by purchase for exclusive use in a trade or business conducted within an enterprise zone designated pursuant to Section 7073 of the Government Code.

(2) For purposes of paragraph (1), "purchase" means any acquisition of property, but only if—

(A) The property is not acquired from a person whose relationship to the person acquiring it would result in the disallowance of losses under Section 267 or 707(b) of the Internal Revenue Code (but, in applying subsections (b) and (c) of Section 267 of the Internal Revenue Code for purposes of this section, Section 267(c)(4) of the Internal Revenue Code shall be treated as providing that the family of an individual shall include only his spouse, ancestors, and lineal descendants),

(B) The basis of the property in the hands of the person acquiring it is not determined—

(i) In whole or in part by reference to the adjusted basis of such property in the hands of the person from whom acquired, or

(ii) Under Sections 18031 through 18033 (relating to property acquired from a decedent).

(3) For purposes of this section, the cost of property does not include so much of the basis of the property as is determined by reference to the basis of other property held at any time by the person acquiring the property.

(4) This section shall not apply to estates and trusts.

(5) This section shall not apply to any Section 17252.5 property purchased by any person described in Section 46(e)(3) of the Internal Revenue Code of 1954, as amended as of January 1, 1982, unless the credit under Section 38 of the Internal Revenue Code of 1954, as amended as of January 1, 1982, is allowable with respect to that person from that property (determined without regard to this section).

(6) In the case of a partnership, the dollar limitation contained in paragraph (1) of subdivision (b) shall apply with respect to the partnership and with respect to each partner.

(e) For purposes of this section, "taxpayer" means a taxpayer who conducts a trade or business within an enterprise zone designated pursuant to Section 7073 of the Government Code.

(f) Any taxpayer who elects to be subject to this section shall not be entitled to claim additional depreciation pursuant to Section

17252 with respect to any property which constitutes Section 17252.5 property.

(g) The aggregate cost which may be taken into account under subdivision (a) for any taxable year shall not exceed the following applicable amount for the taxable year of the designation of an enterprise zone and taxable years thereafter:

	The applicable amount is:
Taxable year of designation	$ 5,000
1st taxable year thereafter	5,000
2nd taxable year thereafter	7,500
3rd taxable year thereafter	7,500
Each taxable year thereafter	10,000

(h) This section shall apply only to property which is used exclusively in a trade or business conducted within an enterprise zone.

SEC. 7. Section 17260 of the Revenue and Taxation Code is amended to read:

17260. (a) No deduction, other than depreciation shall be allowed for any of the following:

(1) Expenditures for tertiary injectants as provided by Section 193 of the Internal Revenue Code.

(2) Expenditures for certain depreciable business assets as provided by Section 179 of the Internal Revenue Code.

(b) No deduction shall be allowed for expenditures for which a deduction is allowed under Section 17252.5.

SEC. 8. Section 17552.5 is added to the Revenue and Taxation Code, to read:

17552.5. The provisions of Section 453 of the Internal Revenue Code, relating to installment sales, shall be modified to incorporate the following provisions:

(a) In the case of an installment sale of Section 17252.5 property, the provisions of Section 453(a) of the Internal Revenue Code shall not be applicable, and for purposes of this part, all payments to be received shall be deemed received in the year of disposition.

(b) Subdivision (a) shall apply only to the extent of the amount allowed as a deduction under Section 17252.5 with respect to Section 17252.5 property.

SEC. 9. Section 18037 of the Revenue and Taxation Code is amended to read:

18037. The provisions of Section 1033(g) (3) (A) of the Internal Revenue Code, relating to the election to treat outdoor advertising displays as real property, shall be modified as follows:

(a) The election shall not be denied because the taxpayer has, on his or her federal return, claimed an investment credit or elected to expense the asset.

(b) The deduction shall be allowed only if an election is in effect for such property under Section 17252, relating to an additional first-

year depreciation allowance, or Section 17252.5, relating to election to expense certain depreciable business assets.

SEC. 10. Section 24331 is added to the Revenue and Taxation Code, to read:

24331. (a) There shall be allowed as a credit against the tax imposed by this part for the income year (except the minimum franchise tax and the tax on preference income) an amount equal to the sum of each of the following:

(1) Fifty percent for qualified wages in year 1.

(2) Forty percent for qualified wages in year 2.

(3) Thirty percent for qualified wages in year 3.

(4) Twenty percent for qualified wages in year 4.

(5) Ten percent for qualified wages in year 5.

(b) For purposes of this section:

(1) "Qualified wages" means the wages paid or incurred by the employer during the income year to qualified disadvantaged individuals reduced by the amount of any federally funded payments the employer receives or is entitled to receive for on-the-job training of these individuals for that period. "Qualified wages" shall not exceed 150 percent of the minimum wage.

(2) "Qualified years 1 through 5 wages" means, with respect to any individual, qualified wages received during the 60-month period beginning with the day the business commences within an enterprise zone.

(3) "Minimum wage" means the wage established by the Industrial Welfare Commission as provided for in Chapter 1 (commencing with Section 1171) of Part 4 of Division 2 of the Labor Code.

(C) For purposes of this section:

(1) "Qualified disadvantaged individual" means an individual—

(A) Who is a qualified employee within the meaning of subdivision (d).

(B) Who is hired by the employer after the designation of the area in which services were performed as an enterprise zone (under Section 7073 of the Government Code).

(C) Who is described in paragraph (2).

(2) For purposes of paragraph (1), any of the following individuals are treated as disadvantaged individuals:

(A) A vocational rehabilitation referral.

(B) An economically disadvantaged individual.

(C) An eligible foster child.

(D) An SSI recipient.

(E) A general assistance recipient.

(F) An eligible handicapped individual.

(G) An eligible AFDC recipient.

(3) "Vocational rehabilitation referral" means any individual who is certified by the designated local agency as—

(A) Having a physical or mental disability which, for such individual, constitutes or results in a substantial handicap to employment.

(B) Having been referred to the employer upon completion of

(or while receiving) rehabilitation services pursuant to—

(i) An individualized written rehabilitation plan under a state plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973, or

(ii) A program of vocational rehabilitation carried out under Chapter 31 of Title 38 of the United States Code.

(4) "Economically disadvantaged individual" means any individual who is certified by the designated local agency as being a member of a family that had an income during the six months preceding the month in which the determination occurs that, on an annual basis, was equal to or less than that which an eligible family with no income would have received in food stamps plus AFDC benefits. Any determination in that regard shall be valid for the 45-day period beginning on the date the determination is made.

(5) "Eligible foster child" means any individual who is certified by the designated local agency as receiving state or local government benefits under a program to assist foster children.

(6) "SSI recipient" means any individual who is certified by the designated local agency as receiving supplemental security income benefits under Title XVI of the Social Security Act (including supplemental security income benefits of the type described in Section 1616 of that act or Section 212 of Public Law 93-66) for any month ending in the preemployment period, or who would have qualified to receive these benefits had that individual applied for them.

(7) "General assistance recipient" means any individual who is certified by the designated local agency as receiving assistance program for any period of not less than 30 days ending within the preemployment period, or who would have qualified to receive that assistance had that individual applied for it.

(B) "Qualified general assistance program" means any program of this state or a political subdivision thereof—

(i) Which provides general assistance or similar assistance which—

(I) Is based on need.

(II) Consists of money payments; and

(ii) Which is designated by the Franchise Tax Board (after consultation with the Department of Social Services) as meeting the requirements of clause (i).

(8) In cases permitted by regulations prescribed by the Franchise Tax Board, "eligible handicapped individual" means any individual who is certified by the designated local agency—

(A) As disabled and living at home, or

(B) Who is institutionalized or receiving services in, or is a client of, a sheltered workshop, prison, hospital or similar institution, or in community care.

(9) "Eligible AFDC recipient" means an individual who has been certified by the designated local agency as being eligible for financial assistance under Part A of Title IV of the Social Security Act and as having continually received that financial assistance during the 90-

day period which immediately precedes the date on which that individual is hired by the employer, or who would have received that assistance had that individual applied for it.

(10) "Preemployment period" means the 60-day period ending on the hiring date.

(11) "Hiring date" means the day the individual is hired by the employer.

(12) "Designated local agency" means a state employment security agency established in accordance with the act of June 6, 1933, as amended (29 U.S.C. 49-49n).

(13) (A) An individual shall not be treated as a qualified disadvantaged individual unless, on or before the day on which that individual begins work for the employer, the employer—

(i) Has received a certification from a designated local agency that the individual is a qualified disadvantaged individual, or

(ii) Has requested in writing that certification from the designated local agency.

(B) If—

(i) An individual has been certified as a qualified disadvantaged individual, and

(ii) That certification is incorrect because it was based on false information provided by that individual, the certification shall be revoked and wages paid by the employer after the date on which notice of revocation is received by the employer shall not be treated as qualified wages.

(d) (1) For purposes of this section, "qualified employee" means an individual—

(A) At least 90 percent of whose services for the taxpayer during the income year are directly related to the conduct of the taxpayer's trade or business located in an enterprise zone.

(B) Who performs at least 50 percent of his or her services for the taxpayer during the income year in an enterprise zone.

(2) "Qualified employee" shall not include an individual with respect to whom the employer claims any credit under Section 40 of the Internal Revenue Code (relating to expenses of work incentive programs) or Section 44B of the Internal Revenue Code (relating to credit for employment of certain new employees) for that period.

(e) For purposes of this section, all employees of all corporations which are members of the same controlled group of corporations shall be treated as employed by a single employer. In any such case, the credit (if any) allowable by this section to each member shall be determined by reference to its proportionate share of the qualified wages giving rise to the credit. For purposes of this subdivision, "controlled group of corporations" has the meaning given to that term by Section 1563 (a) of the Internal Revenue Code, except that—

(A) "More than 50 percent" shall be substituted for "at least 80 percent" each place it appears in Section 1563(a) (1) of the Internal Revenue Code.

(B) The determination shall be made without regard to subsections (a) (4) and (e) (3) (C) of Section 1563 of the Internal Revenue Code.

(2) If an employer acquires the major portion of a trade or business of another employer (hereinafter in this paragraph referred to as the "predecessor") or the major portion of a separate unit of a trade or business of a predecessor, then, for purposes of applying this section (other than subdivision (f)) for any calendar year ending after that acquisition, the employment relationship between an employee and an employer shall not be treated as terminated if the employee continues to be employed in that trade or business.

(e) (1) If the employment of any employee with respect to whom qualified wages are taken into account under subdivision (a) is terminated by the taxpayer at any time during the first 270 days of that employment (whether or not consecutive) or before the close of the 270th calendar day after the day in which that employee completes 90 days of employment with the taxpayer, the tax imposed by this part for the income year in which that employment is terminated shall be increased by an amount equal to the credit allowed under subdivision (a) for that income year and all prior income years attributable to qualified wages paid or incurred with respect to that employee.

(2) (A) Paragraph (1) shall not apply to any of the following:

(i) A termination of employment of an employee who voluntarily leaves the employment of the taxpayer.

(ii) A termination of employment of an individual who, before the close of the period referred to in paragraph (1), becomes disabled to perform the services of that employment, unless that disability is removed before the close of that period and the taxpayer fails to offer reemployment to that individual.

(iii) A termination of employment of an individual, if it is determined under the applicable unemployment compensation provisions that the termination was due to the misconduct of that individual.

(iv) A termination of employment of an individual due to a substantial reduction in the trade or business operations of the taxpayer.

(v) A termination of employment of an individual, if that individual is replaced by other qualified employees so as to create a net increase in employment.

(B) For purposes of paragraph (1), the employment relationship between the taxpayer and an employee shall not be treated as terminated—

(i) By a transaction to which Section 381 (a) of the Internal Revenue Code applies, if the employee continues to be employed by the acquiring corporation, or

(ii) By reason of a mere change in the form of conducting the trade or business of the taxpayer, if the employee continues to be employed in that trade or business and the taxpayer retains a substantial interest in that trade or business.

(3) Any increase in tax under paragraph (1) shall not be treated as tax imposed by this part for purposes of determining the amount of any credit allowable under this part.

(f) In the case of—

(1) An organization to which Section 593 of the Internal Revenue Code applies, and

(2) A regulated investment company or a real estate investment trust subject to taxation under this part

rules similar to the rules provided in subsections (e) and (h) of Section 46 of the Internal Revenue Code shall apply under regulations prescribed by the Franchise Tax Board.

(g) For purposes of this section, "enterprise zone" means an area for which designation as an enterprise zone is in effect under Section 7073 of the Government Code.

(h) No credit shall be allowed under Section 24330 for that portion of the wages or salaries paid or incurred for the income year which is equal to the amount of the credit allowable under this section.

In addition, no deduction shall be allowed under Section 24343 for that portion of the wages or salaries paid or incurred for the income year which is equal to the amount of the credit allowable under this section.

(i) If a federal income tax credit is enacted for costs incurred by a taxpayer for the payment of qualified wages to qualified disadvantaged individuals in connection with employment in an enterprise zone, then to the extent that credit is allowed or allowable for qualified wages, as defined in this section, the state credit provided in this section shall be reduced so that the combined effective credit shall not exceed the applicable percentages specified in subdivisions (a) and (g).

(j) In the case where the credit allowed under this section exceeds the taxes imposed by this part for the income year (except the minimum franchise tax and the tax on preference income) that portion of the credit which exceeds those taxes may be carried over to the taxes imposed by this part (except the minimum franchise tax and the tax on preference income) in succeeding income years for the number of income years in which the designation of an enterprise zone under Section 7073 of the Government Code is operative, or 15 income years, if longer, until the credit is used. The credit shall be applied first to the earliest income years possible.

(k) The amount of the credit provided by this section shall not exceed the amount of tax which would be imposed on the income attributed to business activities of the taxpayer within the enterprise zone (as defined in Section 7073 of the Government Code) as if that attributed income represented all of the net income of the taxpayer subject to tax under this part. The amount of that attributed income shall be determined in accordance with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17.

SEC. 11. Section 24342 is added to the Revenue and Taxation

Code, to read:

24342. (a) There shall be allowed to a taxpayer engaged in the conduct of an active trade or business within an enterprise zone as a deduction for the income year an amount equal to the aggregate of the net operating loss carryovers to that year.

(b) Except as provided in paragraph (1), a net operating loss for any income year beginning on or after the date that the area in which the taxpayer conducts a trade or business is designated an enterprise zone shall be a net operating loss carryover to each following income year that ends before the expiration or revocation of the designation of the enterprise zone under Section 7073 or to each of 15 income years following the income year of loss, if longer.

(1) In the case of a financial institution to which Section 585, 586, or 593 of the Internal Revenue Code of 1954 applies, a net operating loss for any income year beginning on or after January 1, 1983, shall be a net operating loss carryover to each of the five income years following the income year of the loss.

(2) The entire amount of the net operating loss for any income year (hereinafter in this section referred to as the "loss year") shall be carried to the earliest of the income years to which that loss may be carried. The portion of the loss which shall be carried to each of the other income years shall be the excess, if any, of the amount of the loss over the sum of the taxable income for each of the prior income years to which the loss may be carried. For purposes of the preceding sentence, the taxable income for that prior income year shall be computed—

(A) With the modifications specified in subdivision (d) other than paragraphs (1) and (3) thereof; and

(B) By determining the amount of the net operating loss deduction without regard to the net operating loss for the loss year or for any income year thereafter;

and the taxable income so computed shall not be considered to be less than zero.

(c) For purposes of this section:

(1) "Net operating loss" means the loss attributed to the business activities of the taxpayer within the enterprise zone (as defined in Section 7073 of the Government Code. The attributed loss shall be determined in accordance with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17.

(2) A net operating loss carryover shall be a deduction only with respect to income attributed to the business activities of the taxpayer within the enterprise zone (as defined in Section 7073 of the Government Code) determined in accordance with the factor formula apportionment method provided in Article 2 (commencing with Section 25120) of Chapter 17.

(3) In applying the factor apportionment formula method described in paragraphs (1) and (2), total taxable income or loss of the taxpayer shall be computed with the modifications provided in sub-

division (d).

(4) "Taxpayer" means a taxpayer who commences the conduct of a trade or business within an enterprise zone designated pursuant to Section 7073 of the Government Code on or after that designation.

(d) The modifications referred to in subparagraph (A) of paragraph (2) of subdivision (b) are as follows:

(1) No net operating loss deduction shall be allowed.

(2) The amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includable on account of gains from sales or exchanges of capital assets.

(3) The deductions allowable by this part which are not attributable to a taxpayer's trade or business shall be allowed only to the extent of the amount of the gross income not derived from the trade or business. For purposes of the preceding sentence:

(A) Any gain or loss from the sale or other disposition of:

(i) Property, used in the trade or business, of a character which is subject to the allowance for depreciation provided in Section 24349, or

(B) Real property used in the trade or business, shall be treated as attributable to the trade or business.

(ii) The modification specified in paragraph (1) shall be taken into account.

(C) Any deduction allowed under Sections 24601 to 24610.5, inclusive, to the extent attributable to contributions which are made on behalf of an individual who is an employee within the meaning of Section 401 (c) (1) of the Internal Revenue Code shall not be treated as attributable to the trade or business of that individual.

(e) In determining the amount of any net operating loss carryover to any income year, the necessary computations involving any other income year shall be made under the law applicable to that other income year.

(f) In determining the amount of the net operating loss deduction under subdivision (a) of any taxpayer, there shall be disregarded the net operating loss of that taxpayer for any income year for which the taxpayer is an electing small business corporation under Subchapter S of the Internal Revenue Code of 1954.

SEC. 12. Section 24342.5 is added to the Revenue and Taxation Code, to read:

24342.5. A taxpayer who is allowed a net operating loss deduction under Section 24342 shall not be allowed the net operating loss deduction under Section 24343.9.

SEC. 13. Section 24356.2 is added to the Revenue and Taxation Code, to read:

24356.2. (a) A taxpayer may elect to treat the cost of any Section 24356.2 property as a deduction under the terms of the accelerated cost recovery system of Section 168 of the Internal Revenue Code of 1954, as amended as of January 1, 1983, for the income year in which the Section 24356.2 property is placed in service.

(b) (1) An election under this section for any income year shall—

(A) Specify the items of Section 24356.2 property to which the election applies and the portion of the cost of each of those items which is to be taken into account under subdivision (a), and

(B) Be made on the taxpayer's return of the tax imposed by this chapter for the income year.

(2) Any election made under this section, and any specification contained in that election, may not be revoked except with the consent of the Franchise Tax Board.

(c) (1) For purposes of this section, "Section 24356.2 property" means any recovery property which is Section 38 property under the terms of the Internal Revenue Code of 1954, as amended as of January 1, 1982, and which is acquired by purchase for exclusive use in a trade or business conducted within an enterprise zone designated pursuant to Section 7073 of the Government Code.

(2) For purposes of paragraph (1), "purchase" means any acquisition of property, but only if—

(A) The property is not acquired from a person whose relationship to the person acquiring it would result in the disallowance of losses under Section 24427 through 24429 (but, in applying Sections 24428 and 24429 for purposes of this section, subdivision (d) of Section 24429 shall be treated as providing that the family of an individual shall include only his spouse, ancestors, and lineal descendants),

(B) The property is not acquired by one component member of an affiliated group from another component member of the same affiliated group, and

(C) The basis of the property in the hands of the person acquiring it is not determined in whole or in part by reference to the adjusted basis of such property in the hands of the person from whom acquired.

(3) For purposes of this section, the cost of property does not include so much of the basis of that property as is determined by reference to the basis of other property held at any time by the person acquiring that property.

(4) This section shall not apply to any Section 24356.2 property purchased by any person described in Section 46(e) (3) of the Internal Revenue Code of 1954, as amended as of January 1, 1982, unless the credit under Section 38 of the Internal Revenue Code of 1954, as amended as of January 1, 1982, is allowable with respect to that person for that property (determined without regard to this section).

(5) For purposes of subdivision (b)—

(A) All component members of an affiliated group shall be treated as one taxpayer, and

(B) The taxpayer shall apportion the dollar limitation contained in subdivision (b) among the component members of the affiliated group in whatever manner the board shall by regulations prescribe.

(6) For purposes of paragraphs (2) and (5), "affiliated group" has the meaning assigned to it by Section 1504 of the Internal Revenue Code of 1954, except that, for these purposes, the phrase "more than

50 percent" shall be substituted for the phrase "at least 80 percent" each place it appears in Section 1504(a) of the Internal Revenue Code of 1954.

(d) For purposes of this section, "taxpayer" means a taxpayer who conducts a trade or business within an enterprise zone designated pursuant to Section 7073 of the Government Code.

(e) Any taxpayer who elects to be subject to this section shall not be entitled to claim additional depreciation pursuant to Section 24356 with respect to any property which constitutes Section 24356.2 property.

(f) The aggregate cost which may be taken into account under subdivision (a) for any income year shall not exceed the following applicable amount for the income year of the designation of an enterprise zone and income years thereafter:

	The applicable amount is:
Income year of designation	$ 5,000
1st income year thereafter	5,000
2nd income year thereafter	7,500
3rd income year thereafter	7,500
Each income year thereafter	10,000

(g) This section shall apply only to property which is used exclusively in a trade or business conducted within an enterprise zone.

SEC. 14. Section 24422 of the Revenue and Taxation Code is amended to read:

24422. No deduction shall be allowed for—

(a) Any amount paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate. This subdivision shall not apply to:

(1) Expenditures for the development of mines or deposits deductible under Section 24836.

(2) Soil and water conservation expenditures deductible under Section 24369.

(3) Expenditures for farmers for fertilizer, etc., deductible under Section 24377.

(4) Research and experimental expenditures deductible under Sections 24365 to 24368, inclusive.

(5) Expenditures for removal of architectural and transportation barriers to the handicapped and elderly which the taxpayer elects to deduct under Section 24380.

(6) Expenditures for which a deduction is allowed under Section 24356.2.

(b) Any amount expended in restoring property or in making good the exhaustion thereof for which an allowance is or has been made.

SEC. 15. Section 24667 of the Revenue and Taxation Code is amended to read:

24667. (a) Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this part under the installment method.

(b) For purposes of this section—

(1) The term "installment sale" means a disposition of property where at least one payment is to be received after the close of the income year in which the disposition occurs.

(2) The term "installment sale" does not include—

(A) A disposition of personal property on the installment plan by a person who regularly sells or otherwise disposes of personal property on the installment plan.

(B) A disposition of personal property of a kind which is required to be included in the inventory of the taxpayer if on hand at the close of the income year.

(c) For purposes of this section, the term "installment method" means a method under which the income recognized for any income year from a disposition is that proportion of the payments received in that year which the gross profit (realized or to be realized when payment is completed) bears to the total contract price.

(d) (1) Subdivision (a) shall not apply to any disposition if the taxpayer elects to have subdivision (a) not apply to such disposition.

(2) Except as otherwise provided, an election under paragraph (1) with respect to a disposition may be made only on or before the due date prescribed by law (including extensions) for filing the taxpayer's return of the tax imposed by this part for the income year in which the disposition occurs. Such an election shall be made in the manner prescribed by the Franchise Tax Board.

(3) An election under paragraph (1) with respect to any disposition may be revoked only with the consent of the Franchise Tax Board.

(e) (1) If—

(A) Any person disposes of property to a related person (hereinafter in this subdivision referred to as the "first disposition"), and

(B) Before the person making the first disposition receives all payments with respect to such disposition, the related person disposes of the property (hereinafter in this subdivision referred to as the "second disposition"),

then, for purposes of this section, the amount realized with respect to such second disposition shall be treated as received at the time of the second disposition by the person making the first disposition.

(2) (A) Except in the case of marketable securities, paragraph (1) shall apply only if the date of the second disposition is not more than two years after the date of the first disposition.

(B) The running of the two-year period set forth in subparagraph (A) shall be suspended with respect to any property for any period during which the related person's risk of loss with respect to the property is substantially diminished by—

(i) The holding of a put with respect to such property (or similar property),

(ii) The holding by another person of a right to acquire the property, or

(iii) A short sale or any other transaction.

(3) The amount treated for any income year as received by the person making the first disposition by reason of paragraph (1) shall not exceed the excess of—

(A) The lesser of—

(i) The total amount realized with respect to any second disposition of the property occurring before the close of the income year, or

(ii) The total contract price for the first disposition, over

(B) The sum of—

(i) The aggregate amount of payments received with respect to the first disposition before the close of such year, plus

(ii) The aggregate amount treated as received with respect to the first disposition for prior income years by reason of this subsection.

(4) For purposes of this subdivision, if the second disposition is not a sale or exchange, an amount equal to the fair market value of the property disposed of shall be substituted for the amount realized.

(5) If paragraph (1) applies for any taxable year, payments received in subsequent taxable years by the person making the first disposition shall not be treated as the receipt of payments with respect to the first disposition to the extent that the aggregate of such payments does not exceed the amount treated as received by reason of paragraph (1).

(6) For purposes of this subdivision—

(A) Any sale or exchange of stock to the issuing corporation shall not be treated as a first disposition.

(B) A compulsory or involuntary conversion (within the meaning of Section 24944) and any transfer thereafter shall not be treated as a second disposition if the first disposition occurred before the threat or imminence of the conversion.

(C) Any transfer after the earlier of—

(i) The death of the person making the first disposition, or

(ii) The death of the person acquiring the property in the first disposition,

and any transfer thereafter shall not be treated as a second disposition.

(7) This subdivision shall not apply to a second disposition (and any transfer thereafter) if it is established to the satisfaction of the Franchise Tax Board that neither the first disposition nor the second disposition had as one of its principal purposes the avoidance of bank and corporation tax.

(8) The period for assessing a deficiency with respect to a first disposition (to the extent such deficiency is attributable to the application of this subdivision) shall not expire before the day which is two years after the date on which the person making the first disposition furnishes (in such manner as the Franchise Tax Board may prescribe) a notice that there was a second disposition of the proper-

ty to which this subdivision may have applied. Such deficiency may be asessed notwithstanding the provisions of any law or rule of law which would otherwise prevent such assessment.

(f) For purposes of this section—

(1) Except for purposes of subdivisions (g) and (h), the term "related person" means a person whose stock would be attributed under Section 24497 (other than subdivision (d) thereof) to the person first disposing of the property.

(2) The term "marketable securities" means any security for which, as of the date of the disposition, there was a market on an established securities market or otherwise.

(3) Except as provided in paragraph (4), the term "payment" does not include the receipt of evidences of indebtedness of the person acquiring the property (whether or not payment of such indebtedness is guaranteed by another person).

(4) Receipt of a bond or other evidence of indebtedness which—

(A) Is payable on demand, or

(B) Is issued by a corporation or a government or political subdivision thereof and is readily tradable,

shall be treated as receipt of payment.

(5) For purposes of paragraph (4), the term "readily tradable" means a bond or other evidence of indebtedness which is issued—

(A) With interest coupons attached or in registered form (other than one in registered form which the taxpayer establishes will not be readily tradable in an established securities market), or

(B) In any other form designed to render such bond or other evidence of indebtedness readily tradable in an established securities market.

(6) In the case of any exchange described in subdivision (b) of Section 24941—

(A) The total contract price shall be reduced to take into account the amount of any property permitted to be received in such exchange without recognition of gain,

(B) The gross profit from such exchange shall be reduced to take into account any amount not recognized by reason of subdivision (b) of Section 24941, and

(C) The term "payment," when used in any provision of this section other than paragraph (1) of subdivision (b), shall not include any property permitted to be received in such exchange without recognition of gai .

Similar rules sha ' apply in the case of an exchange which is described in Section 24535 and is not treated as a dividend.

(7) The term "depreciable property" means property of a character which (in the hands of the transferee) is subject to the allowance for depreciation provided in Section 24349.

(g) (1) In the case of an installment sale of depreciable property between related persons within the meaning of subdivision (b) of Section 1239 of the Internal Revenue Code, subdivision (a) shall not apply, and, for purposes of this part, all payments to be received shall

be deemed received in the year of the disposition.

(2) Paragraph (1) shall not apply if it is established to the satisfaction of the Franchise Tax Board that the disposition did not have as one of its principal purposes the avoidance of bank and corporation tax.

(h) (1) (A) If, in connection with a liquidation to which Section 24512 applies, in a transaction to which Section 24501 applies the shareholder receives (in exchange for the shareholder's stock) an installment obligation acquired in respect of a sale or exchange by the corporation during the 12-month period set forth in subdivision (b) of Section 24512, then, for purposes of this section, the receipt of payments under such obligation (but not the receipt of such obligation) by the shareholder shall be treated as the receipt of payment for the stock.

(B) Subparagraph (A) shall not apply to an installment obligation described in paragraph (2) of subdivision (a) of Section 24513 unless such obligation is also described in paragraph (2) of subdivision (b) of Section 24513.

(C) If the obligor of any installment obligation and the shareholder are related persons (within the meaning of subdivision (b) of Section 1239 of the Internal Revenue Code), to the extent such installment obligation is attributable to the disposition by the corporation of depreciable property—

(i) Subparagraph (A) shall not apply to such obligation, and

(ii) For purposes of this part, all payments to be received by the shareholder shall be deemed received in the year the shareholder receives the obligation.

(D) For purposes of subparagraph (A) of paragraph (1) of subdivision (e), disposition of property by the corporation shall be treated also as disposition of such property by the shareholder.

(E) For purposes of subparagraph (A), in any case to which subdivision (c) of Section 24514 applies, an obligation acquired in respect of a sale or exchange by the selling corporation shall be treated as so acquired by the corporation distributing the obligation to the shareholder.

(2) If—

(A) Paragraph (1) applies with respect to any installment obligation received by a shareholder from a corporation, and

(B) By reason of the liquidation such shareholder receives property in more than one income year,

then, on completion of the liquidation, basis previously allocated to property so received shall be reallocated for all such income years so that the shareholder's basis in the stock of the corporation is properly allocated among all property received by such shareholder in such liquidation.

(i) (1) In the case of an installment sale of Section 24356.2 property, subdivision (a) shall not apply, and for purposes of this part, all payments to be received shall be deemed received in the year of disposition.

(2) Paragraph (1) shall apply only to the extent of the amount allowed as a deduction under Section 24356.2 with respect to Section 24356.2 property.

(j) (1) The Franchise Tax Board shall prescribe such regulations as may be necessary or appropriate to carry out the provisions of this section.

(2) The regulations prescribed under paragraph (1) shall include regulations providing for ratable basis recovery in transactions where the gross profit or the total contract price (or both) cannot be readily ascertained.

SEC. 16. Section 24949.2 of the Revenue and Taxation Code is amended to read:

24949.2. (a) For purposes of Sections 24943 through 24945, if real property (not including stock in trade or other property held primarily for sale) held for productive use in trade or business or for investment is (as a result of its seizure, requisition, or condemnation, or threat or imminence thereof) compulsorily or involuntarily converted, property of a like kind to be held either for productive use in trade or business or for investment shall be treated as property similar or related in service or use to the property so converted.

(b) (1) Subdivision (a) shall not apply to the purchase of stock in the acquisition of control of a corporation described in subdivision (a) of Section 24944.

(2) Subdivision (a) shall apply with respect to the compulsory or involuntary conversion of any real property only if the disposition of the converted property (within the meaning of subdivision (b) of Section 24943) occurs after December 31, 1960.

(c) (1) A taxpayer may elect, at such time and in such manner as the Franchise Tax Board may prescribe, to treat property which constitutes an outdoor advertising display as real property for purposes of this part with respect to which an election under Section 24356.2 (relating to election to expense certain depreciable business assets) is in effect.

(2) An election made under paragraph (1) may not be revoked without the consent of the Franchise Tax Board.

(3) For purposes of this subdivision, the term "outdoor advertising display" means a rigidly assembled sign, display, or device permanently affixed to the ground or permanently attached to a building or other inherently permanent structure constituting, or used for the display of, a commercial or other advertisement to the public.

(4) For purposes of this subdivision, an interest in real property purchased as replacement property for a compulsorily or involuntarily converted outdoor advertising display defined in paragraph (3) (and treated by the taxpayer as real property) shall be considered property of a like kind as the property converted without regard to whether the taxpayer's interest in the replacement property is the same kind of interest the taxpayer held in the converted property.

(d) In the case of a compulsory or involuntary conversion described in subdivision (a), paragraph (1) of subdivision (b) of Section 24944 shall be applied by substituting "three years" for "two years."

(e) Subdivision (d) shall apply with respect to any disposition of converted property (within the meaning of Section 24944) after December 31, 1976.

SEC. 17. The sum of twenty thousand dollars ($20,000) is hereby appropriated from the General Fund to the Department of Economic and Business Development for expenditure until July 1, 1985, for the purposes of this act.

SEC. 18. The Auditor General shall submit a report to the Legislature on or before June 30, 1986, evaluating the effects of this act for the first two years of its operation.

SEC. 19. Except as otherwise provided in this act, Sections 2 to 16, inclusive, of this act shall apply in the computation of taxes for taxable or income years commencing on or after the designation of an area as an enterprise zone pursuant to Section 7073 of the Government Code with respect to those taxpayers who are employed, invest in, or conduct business in an enterprise zone on or after its designation.

SEC. 20. This act shall become operative only if Assembly Bill No. 514 of the 1983–84 Regular Session is chaptered and takes effect.

SEC. 21. Section 12 of this act shall become operative only if AB 32 of the 1983–84 Regular Session is chaptered and takes effect.

SEC. 22. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that some of the depressed areas within this state may be economically revitalized in accordance with the provisions of this act as soon as possible, it is necessary that this act go into immediate effect.

CHAPTER 46

An act relating to education, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 21, 1984. Filed with Secretary of State March 21, 1984]

The people of the State of California do enact as follows:

SECTION 1. The sum of five million five hundred thousand dollars ($5,500,000) is hereby appropriated from the General Fund to Section A of the State School Fund for allocation to the Alameda County Office of Education for the 1983–84 fiscal year.

SEC. 2. The funds appropriated by Section 1 of this act shall be

apportioned for the 1983–84 fiscal year to the Alameda County Office of Education in two payments. The first payment shall be made in March 1984, and shall be sufficient to meet the cash needs of the Alameda County Office of Education through April 1984, as determined in the cash flow projection developed by the Auditor General's report number F-385, issued February 9, 1984. The second payment shall be made in May 1984, with the amount to be apportioned to be determined by the Superintendent of Public Instruction and certified by the Office of the Auditor General as necessary to meet cash needs for the balance of the fiscal year. In no event shall the two payments exceed five million five hundred thousand dollars ($5,500,000).

SEC. 3. Acceptance by the Alameda County Office of Education of the apportionments made pursuant to Sections 2 and 7 of this act shall constitute agreement by the county office to the following conditions, in addition to those specified in Section 4 of this act:

(a) The Alameda County Office of Education shall provide written notification to all of the school districts enumerated in Section 7 of this act that the Alameda County Office of Education will discontinue the provision of transportation services for individuals with exceptional needs, other than for its own special education program, on July 1, 1984.

(b) The Alameda County Office of Education shall agree to pay at least one-half of the difference between the full transportation entitlement in the 1984–85 fiscal year, based on services provided in the 1983–84 fiscal year, and the actual amount received from the state in lieu of that entitlement.

SEC. 4. The Legislature declares that a portion of this appropriation is an advance against the amount that the Alameda County Office of Education will receive in the 1984–85 fiscal year for reimbursement for special education transportation services provided in the 1983–84 fiscal year. The difference between that amount and the total of the payments made pursuant to Sections 2 and 7 of this act to the Alameda County Office of Education shall be deemed an emergency apportionment made pursuant to Section 41310 of the Education Code, as if the Alameda County Office of Education were a school district, except that the requirements of Article 2 (commencing with Section 41320) of Chapter 3 of Part 24 of the Education Code shall be applicable only as follows:

(a) In lieu of the reports specified in subdivision (a) of Section 41320 of the Education Code, the Alameda County Office of Education shall provide all of the following to the trustee appointed by the Superintendent of Public Instruction pursuant to subdivision (b):

(1) A detailed budget for its operations during the 1984–85 fiscal year, by April 1, 1984, and annually thereafter until the total allocation made pursuant to Sections 2 and 7 of this act, including interest, is repaid. The budgets shall be prepared on both a cash and accrual basis and shall provide that revenues exceed expenditures on

either basis.

(2) Plans for operating reductions which were used in developing the budgets required by paragraph (1), including specific details on how personnel, building, and other costs will be affected.

(3) Quarterly reports during the 1984–85 fiscal year and thereafter until the total allocation is repaid, on actual receipts and expenditures compared to the budgeted amounts, by detailed line item. The county office's expenditures shall not deviate from the budget prepared pursuant to paragraph (1) without the prior written approval of the trustee appointed by the Superintendent of Public Instruction.

(4) An analysis of Alameda County's special transportation program, using the criteria contained in Section 56774 of the Education Code, by April 1, 1984.

(b) The Superintendent of Public Instruction shall appoint a trustee with recognized expertise in management and finance who shall be bonded. The costs of the trustee shall be borne by the Alameda County Office of Education. The trustee shall serve at the pleasure of the Superintendent of Public Instruction until the loan called for by this act is repaid, unless the Superintendent of Public Instruction, in consultation with the Auditor General, determines the trustee's services are necessary for a shorter period of time. The Superintendent of Public Instruction shall establish the terms and conditions of employment and the remuneration of the trustee.

Notwithstanding any other provision of law, all reports submitted to the trustee shall be public records.

(c) The trustee appointed by the Superintendent of Public Instruction shall monitor, review, and approve or reject the reports and other material required to be submitted by the Alameda County Office of Education pursuant to subdivision (a) until the total allocation made pursuant to Sections 2 and 7 of this act, including interest, is repaid. The Superintendent of Public Instruction, upon the recommendation of the trustee, may reduce any apportionment to the Alameda County Office of Education in an amount up to two hundred dollars ($200) per day for each late or unacceptable report or other material required by subdivision (a), and shall report to the Legislature any failure of the county office in meeting the requirements of this act.

Following this review, the Superintendent of Public Instruction, upon favorable recommendation by the trustee, shall certify to the Director of Finance that the county office has taken action to correct its financial problems which is realistic and will place the county office on a sound financial basis.

(d) The county office shall indicate its utilization of the plan submitted pursuant to subdivision (a) in its annual budget in each applicable year as specified in Section 41321 of the Education Code.

(e) The followup review specified in Section 41322 of the Education Code shall be conducted by the Superintendent of Public Instruction, who shall submit a report thereon to the Director of

Finance.

(f) The Controller shall perform financial and compliance audits of the Alameda County Office of Education in lieu of the requirements specified in Section 41020 of the Education Code, beginning with the 1983–84 fiscal year, and in each fiscal year thereafter until the apportionments made pursuant to Sections 2 and 7 are repaid. The Alameda County Office of Education shall reimburse the Controller for audits and reviews performed. To the extent possible, the audits shall comply with the deadlines specified in Section 41020 of the Education Code. If the deadlines cannot reasonably be met, the Controller shall notify the Superintendent of Public Instruction of the anticipated date of completion of the audit on or before November 15 of the year following the close of the fiscal year under audit.

SEC. 5. In accordance with Sections 41323 and 41324 of the Education Code, and in order to repay the allocation made pursuant to Sections 2 and 7 of this act, the Superintendent of Public Instruction shall reduce apportionments to the Alameda County Office of Education in the following manner:

(a) In the 1984–85 fiscal year, apportionments shall be reduced by the sum of the following:

(1) 92.08 percent of the full amount of the transportation apportionment due to the county office for transportation provided in the 1983–84 fiscal year pursuant to Section 41851 of the Education Code.

(2) One-fifth of the difference between the total apportionments made to the county office pursuant to Section 2 of this act and the amount computed in paragraph (1).

(3) Interest amounts which are based on the investment rate of the Pooled Money Investment Account as of March 1, 1984.

(b) In the 1985–86, 1986–87, 1987–88, and 1988–89 fiscal years, apportionments shall be reduced by the sum of the following:

(1) The amount calculated in paragraph (2) of subdivision (a).

(2) One-fifth of the apportionment made pursuant to Section 7 of this act.

(3) Interest amounts which are based on the investment rate of the Pooled Money Investment Account as of March 1, 1984.

(c) In the 1989–90 fiscal year, apportionments shall be reduced by the following sum:

(1) One-fifth of the apportionment made pursuant to Section 7 of this act.

(2) Interest amounts which are based on the investment rate of the Pooled Money Investment Account as of March 1, 1984.

SEC. 6. The Auditor General shall review the operations of the Alameda County Office of Education, and the monitoring and reviewing of those operations by the Superintendent of Public Instruction, and shall report to the Legislature by September 1984, and annually thereafter until the total allocation made pursuant to Sections 2 and 7 of this act, including interest, has been repaid.

SEC. 7. (a) The sum of five million three hundred thousand dollars ($5,300,000) is hereby appropriated from the General Fund to Section A of the State School Fund for apportionment by the Superintendent of Public Instruction to local educational agencies in Alameda County in the 1984–85 fiscal year for startup costs of providing transportation for individuals with exceptional needs. Any apportionment shall be made only upon request by a local educational agency and in no event shall exceed the following specified maximum amounts, except as otherwise provided in subdivision (b):

Alameda City Unified School District	$ 223,130
Albany City Unified School District	$ 10,600
Castro Valley Unified School District	$ 98,580
Emery Unified School District	$ 9,540
Fremont Unified School District	$ 533,710
Hayward Unified School District	$ 598,900
Livermore Valley Joint Unified School District	$ 313,230
Newark Unified School District	$ 201,400
New Haven Unified School District	$ 270,830
Oakland Unified School District	$ 1,847,050
Piedmont City Unified School District	$ 10,070
San Leandro Unified School District	$ 190,270
San Lorenzo Unified School District	$ 297,860
Murray Elementary School District	$ 121,370
Pleasanton Joint Elementary School District	$ 108,120
Amador Valley Joint Union High School District	$ 40,280
Sunol Glen Elementary School District	$ 5,300
Alameda County Office of Education	$ 419,760

(b) Subject to the approval of the trustee and the Superintendent of Public Instruction, the four hundred nineteen thousand seven hundred sixty dollars ($419,760) allocated to the Alameda County Office of Education pursuant to subdivision (a) may be apportioned among the districts specified in subdivision (a). The amount apportioned to each district pursuant to this subdivision shall bear the same relationship to four hundred nineteen thousand seven hundred sixty dollars ($419,760) as the amount allocated to that district pursuant to subdivision (a) bears to four million eight hundred eighty thousand two hundred forty dollars ($4,880,240).

SEC. 8. Any school district which requests an apportionment pursuant to Section 7 of this act shall agree to the following as a condition of receiving that apportionment:

(a) The school district shall release the Alameda County Office of Education from any existing contractual obligation to provide transportation services for individuals with exceptional needs.

(b) The school district shall pay to the Alameda County Office of Education a maximum of one-half of its prorata share of the difference between the county office's full transportation entitlement in

the 1984–85 fiscal year based on services provided in the 1983–84 fiscal year and the actual amount received by the county office from the state in lieu of that entitlement.

SEC. 9. In order to repay funds apportioned to school districts in Alameda County pursuant to Section 7 of this act, the Superintendent of Public Instruction shall reduce apportionments to those agencies in the 1985–86, 1986–87, 1987–88, 1988–89, and 1989–90 fiscal years by one-fifth of the total apportionments made pursuant to Section 7 of this act, plus interest amounts based on the most current investment rate of the Pooled Money Investment Account as of the date of the disbursement of funds to the local educational agencies.

SEC. 10. Due to the unique circumstances concerning the Alameda County Office of Education, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

SEC. 11. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for the Alameda County Office of Education to meet financial obligations for operational costs in the 1983–84 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 47

An act to amend Sections 107, 1604, 1608, 1617, 1618, 1631, 1650, 1654, 1700, 1717, 1719, 1720, 1723, 2685, 2933, 3015, 3150, 4005, 4006, 4012, 4050.6, 4052.3, 4081, 4091, 4094, 4360, 4410, 4411, 4805, 4881, 5013, 5016, 5520, 5521, 5523, 5550, 5551, 5570, 5571, 5624, 5625, 5626, 5627, 5650, 5652, 5657, 6504, 6628, 6714, 6715, 6760, 6786, 7204, 7211, 7305, 7412, 7628, 7663, 7687, 7848, 7848.1, 7850.5, 7850.6, 7871, 8005, 8022, 8707, 8711, 8712, 8753, 9005, 9006, 9007, 9011, and 9532 of, and to add Sections 1616.5, 2607.5, 3014.5, 4004.5, 4804.5, 5015.6, 5517, 6503.5, 7203.5, 7607.5, and 7815.5 to, the Business and Professions Code, relating to the Department of Consumer Affairs, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 21, 1984. Filed with Secretary of State March 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The Legislature hereby finds and declares that the title of "executive secretary" does not accurately reflect the duties and responsibilities of a person appointed to that position by a licensing board within the Department of Consumer Affairs. This bill would change the title of "executive secretary" to "executive officer" to more accurately reflect the duties and responsibilities of

the position. There is no intent to create any new executive officer positions. Further, there is no intent to change, or to affect any board's authority to determine, the duties and responsibilities of an executive officer.

SEC. 2. Section 107 of the Business and Professions Code is amended to read:

107. (a) Each board may elect a secretary, who may, but need not be, a member of the board. The secretary is entitled to traveling and other expenses necessary in the performance of his or her duties.

(b) Pursuant to subdivision (e) of Section 4 of Article VII of the California Constitution, each board may appoint a person exempt from civil service and may fix his or her salary, with the approval of the Department of Personnel Administration pursuant to Section 19825 of the Government Code, who shall be designated as an executive officer unless the licensing act of the particular board designates the person as a registrar.

SEC. 3. Section 1604 of the Business and Professions Code is amended to read:

1604. Each member of the board, upon his or her qualification, shall file with the executive officer his or her post office address, and thereafter any notice of any change thereof. Any notice mailed to the address so on file, shall be deemed to comply with the requirements of this chapter as to notice to that member of the board.

SEC. 4. Section 1608 of the Business and Professions Code is amended to read:

1608. Special meetings may be held at such times as the board may elect, or on the call of the president of the board, or of not less than four members thereof. A written notice of the time, place, and object of the special meeting shall be mailed by the executive officer to all the members not parties to the call, at least 15 days before the day of the meeting.

SEC. 5. Section 1616.5 is added to the Business and Professions Code, to read:

1616.5. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.

SEC. 6. Section 1617 of the Business and Professions Code is amended to read:

1617. A copy of any part or all of the books of the board duly certified by the executive officer shall be primary evidence in any court of this state.

SEC. 7. Section 1618 of the Business and Professions Code is amended to read:

1618. The original books, records, and papers of the board shall be kept at the office of the executive officer, which shall be at such place as may be designated by the board.

The executive officer shall furnish to any person making application therefor a copy of any part thereof, certified by him or

her as executive officer, upon payment of the fee specified in Section 163. The fee shall be deposited in the State Treasury to the credit of the board.

SEC. 8. Section 1631 of the Business and Professions Code is amended to read:

1631. The subjects in which the applicant shall be examined shall be those subjects as the board may from time to time prescribe. However, the subjects of examination shall be selected in accordance with the trend of dental education in California as that trend is determined, from time to time by the curricula of the dental colleges in California approved by the Board of Dental Examiners, and no examination shall be given on any subject which is not then, at the time of the determination, being currently taught in those approved dental colleges. In the event of any changes in the list of examination subjects, all approved dental schools in the United States shall be notified, by the executive officer of the board, at least two years in advance of the effective date of any change or changes in subjects. Each applicant, at the time of filing of application to take any examination hereunder, shall be given a list of the subjects of the examination for which he or she is making application.

SEC. 9. Section 1650 of the Business and Professions Code is amended to read:

1650. Every person who is now or hereafter licensed to practice dentistry in this state shall register on forms prescribed by the board, his or her place of practice with the Executive Officer of the State Board of Dental Examiners, or, if he or she has more than one place of practice, all of the places of practice, or, if he or she has no place of practice, to so notify the executive officer of the board. A person licensed by the board shall register with the executive officer within 30 days after the date of his or her license.

SEC. 10. Section 1654 of the Business and Professions Code is amended to read:

1654. Any licensed person who shall change his or her name according to law shall, within 10 days after that change, reregister with the executive officer of the board and the executive officer shall make a marginal note of the former name of the licentiate.

SEC. 11. Section 1700 of the Business and Professions Code is amended to read:

1700. Any person, company, or association is guilty of a misdemeanor, and upon conviction thereof shall be punished by imprisonment in the county jail not less than 10 days nor more than one year, or by a fine of not less than one hundred dollars ($100) nor more than one thousand five hundred dollars ($1,500), or by both fine and imprisonment, who:

(a) Assumes the degree of "doctor of dental surgery," "doctor of dental science," or "doctor of dental medicine" or appends the letters "D.D.S.," or "D.D.Sc." or "D.M.D." to his or her name without having had the right to assume the title conferred upon him or her by diploma from a recognized dental college or school legally

empowered to confer the same.

(b) Assumes any title, or appends any letters to his or her name, with the intent to represent falsely that he or she has received a dental degree or license.

(c) Engages in the practice of dentistry without causing to be displayed in a conspicuous place in his or her office the name of each and every person employed there in the practice of dentistry.

(d) Within 10 days after demand is made by the executive officer of the board, fails to furnish to the board the name and address of all persons practicing or assisting in the practice of dentistry in the office of the person, company, or association, at any time within 60 days prior to the demand, together with a sworn statement showing under and by what license or authority this person, company, or association and any employees are or have been practicing dentistry. This sworn statement shall not be used in any prosecution under this section.

SEC. 12. Section 1717 of the Business and Professions Code is amended to read:

1717. To renew an unexpired license, the licensee shall, before the time at which the license would otherwise expire, apply for renewal on a form prescribed by the board and pay the renewal fee prescribed by this chapter. The receipt of the executive officer shall be indispensable evidence that payment has been made.

SEC. 13. Section 1719 of the Business and Professions Code is amended to read:

1719. Upon collection by the proper officer of the court, 75 percent of the fines or forfeitures of bail in any case in which any person is charged with a violation of the provisions of this chapter shall be paid to the executive officer of the board and the balance, or 25 percent of the fines or forfeitures of bail, shall be paid to the county where the action is tried.

SEC. 14. Section 1720 of the Business and Professions Code is amended to read:

1720. The executive officer shall on or before the 10th day of each month pay to the State Treasury and report to the Controller all fines, penalties, and forfeitures received for violations of this chapter, together with all examination, renewal, and license fees received by him or her prior to the date of the report and payment.

SEC. 15. Section 1723 of the Business and Professions Code is amended to read:

1723. All fines, penalties, and forfeitures, including the examination fee, imposed or collected by the board under any provision of this chapter shall be paid to the executive officer.

SEC. 16. Section 2607.5 is added to the Business and Professions Code, to read:

2607.5. The committee may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the committee and vested in him or her by this chapter.

SEC. 17. Section 2685 of the Business and Professions Code is

amended to read:

2685. On or before the first day of each even-numbered year, the examining committee shall mail to each licensee under this chapter, at the latest address furnished by the licensee to the executive officer, a notice stating the amount of the renewal fee and the date on which it is due, and that failure to pay it on or before the due date will result in expiration of the license.

SEC. 18. Section 2933 of the Business and Professions Code is amended to read:

2933. Except as provided by Section 159.5, the board shall employ and shall make available to the committee within the limits of the funds received by the board all personnel necessary to carry out the provisions of this chapter. The committee may employ, exempt from the provisions of the State Civil Service Act, an executive officer to the Psychology Examining Committee. The board shall make all expenditures to carry out the provisions of this chapter. The board may accept contributions to effectuate the purposes of this chapter.

SEC. 19. Section 3014.5 is added to the Business and Professions Code, to read:

3014.5. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.

SEC. 20. Section 3015 of the Business and Professions Code is amended to read:

3015. The executive officer shall keep all the records of the board and discharge such other duties as the board shall from time to time prescribe.

SEC. 21. Section 3150 of the Business and Professions Code is amended to read:

3150. The department may make all necessary disbursements to carry out the provisions of this chapter. Necessary disbursements include payment for the bond of the executive officer of the board, payment for stationery supplies, and payment for necessary optical instruments to be used in the conduct of examinations which instruments shall be the property of the state.

SEC. 22. Section 4004.5 is added to the Business and Professions Code, to read:

4004.5. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.

SEC. 23. Section 4005 of the Business and Professions Code is amended to read:

4005. The executive officer shall maintain and update in a timely fashion records containing the names, titles, qualifications, and places of business of all persons coming under the provisions of this chapter.

SEC. 24. Section 4006 of the Business and Professions Code is

amended to read:

4006. The executive officer shall give receipts for all money received by him or her and pay it to the Department of Consumer Affairs, taking its receipt therefor. Besides the duties required by this chapter, the executive officer shall perform other duties pertaining to the office as may be required of him or her by the board.

SEC. 25. Section 4012 of the Business and Professions Code is amended to read:

4012. The executive officer shall receive the compensation as may be fixed by the board with the approval of the Director of Finance, and in addition the executive officer shall be entitled to traveling and other expenses necessary in the performance of his or her duties.

SEC. 26. Section 4050.6 of the Business and Professions Code is amended to read:

4050.6. Each person applying for an exemption under the provisions of Section 4050.5 or 4050.7 shall pay to the executive officer of the board the fees provided for in subdivision (h) of Section 4416.

SEC. 27. Section 4052.3 of the Business and Professions Code is amended to read:

4052.3. Each application for a permit under Section 4052.2 shall be made on a form furnished by the board. Upon the filing of the application and payment of the fee prescribed in subdivision (a) of Section 4416, the executive officer of the board shall issue a permit authorizing the hospital to which it is issued to purchase drugs at wholesale pursuant to Section 4052.1. The permit shall be renewed annually on or before November 1 of each year upon payment of the renewal fee prescribed in subdivision (b) of Section 4416 and shall not be transferable.

SEC. 28. Section 4081 of the Business and Professions Code is amended to read:

4081. (a) Each application to conduct a pharmacy shall be made on a form furnished by the board, and shall state the name, address, usual occupation, and professional qualifications, if any, of the applicant. If the applicant is other than a natural person, the application shall state the information as to each person beneficially interested therein.

(b) As used in this section, and subject to the provisions of subdivision (c), the term "person beneficially interested" means and includes:

(1) If the applicant is a partnership or other unincorporated association, each partner or member.

(2) If the applicant is a corporation, each of its officers, directors, and stockholders, provided that no natural person shall be deemed to be beneficially interested in a nonprofit corporation.

(c) In any case where the applicant is a partnership or other unincorporated association, or is a corporation, and where the number of partners, members, or stockholders, as the case may be, exceeds five, the application shall so state, and shall further state the

information required by subdivision (a) as to each of the five partners, members, or stockholders who own the five largest interests in the applicant entity. Upon request by the executive officer, the applicant shall furnish the board with the information required by subdivision (a) as to partners, members, or stockholders not named in the application, or shall refer the board to an appropriate source of that information.

(d) The application shall contain a statement to the effect that the applicant has not been convicted of a felony and has not violated any of the provisions of this chapter. If the applicant cannot make this statement the application shall contain a statement of the violation, if any, or reasons which will prevent the applicant from being able to comply with the requirements with respect to the statement.

(e) Upon the approval of the application by the board and payment of the fee required by this chapter for each pharmacy, the executive officer of the board shall issue a permit to conduct a pharmacy under the provisions of Section 4080, if all of the provisions of this chapter have been complied with. Any other provision of law notwithstanding, the permit shall authorize the holder to conduct a pharmacy and to sell and dispense prophylactics, hypodermics, hypnotics, and poisons. The permit shall be renewed annually on or before November 1 of each year and shall not be transferable, and any change in the beneficial ownership interest of the pharmacy shall be reported within 30 days thereafter upon a form to be furnished by the board.

SEC. 29. Section 4091 of the Business and Professions Code is amended to read:

4091. Each person applying for registration as a registered pharmacist under this chapter shall pay to the executive officer of the board, the fees provided by this chapter, on filing the person's application, and which shall be compensation to the board for investigation or examination of the applicant.

SEC. 30. Section 4094 of the Business and Professions Code is amended to read:

4094. Within 30 days after the changing of his or her address as designated on the books of the board or after changing his or her name according to law, every registered pharmacist shall notify the executive officer of the board of the change of address or change of name.

SEC. 31. Section 4360 of the Business and Professions Code is amended to read:

4360. A person whose certificate, license, permit, registration, or exemption has been revoked or suspended for more than one year, may petition the board to reinstate the certificate, license, permit, registration, or exemption after a period of not less than one year has elapsed from the date of the revocation or suspension.

The petition shall state such facts as may be required by the board. The petition shall be accompanied by two or more verified recommendations from holders of certificates, licenses, permits,

registrations, or exemptions issued by the board to which the petition is addressed and by two or more recommendations from citizens each having personal knowledge of the activities of the petitioner since the disciplinary penalty was imposed. The petition shall be heard at the next regular meeting of the board, held not earlier than 30 days after the petition was filed. The hearing may be continued from time to time as the board finds necessary. No petition shall be considered while the petitioner is under sentence for any criminal offense, including any period during which he or she is on probation or parole.

In determining whether the disciplinary penalty should be set aside and the terms and conditions, if any, which should be imposed if the disciplinary penalty is set aside, the board may investigate and consider all activities of the petitioner since the disciplinary action was taken against him or her, the offense for which he or she was disciplined, his or her activity during the time his or her certificate, license, permit, registration, or exemption was in good standing, and his or her general reputation for truth, professional ability, and good character. The affirmative vote of at least five members of the board is necessary to set aside a penalty and to restore a certificate, license, permit, registration, or exemption with or without terms, conditions and restrictions. The board may deny without a hearing or argument any petition filed pursuant to this section where the petitioner has been afforded a hearing upon any petition filed pursuant to this section within a period of one year immediately preceding the filing of such petition.

The executive officer shall enter in his or her records of the case all actions of the board in setting aside a disciplinary penalty under this section, and shall certify notices to the State Department of Consumer Affairs. The State Department of Consumer Affairs shall make such changes on its records as may be necessary.

SEC. 32. Section 4410 of the Business and Professions Code is amended to read:

4410. Every registered pharmacist who desires to retain his or her registration on the books of the board shall, biennially, on or before October 31, pay to the executive officer of the board the renewal fee, fixed by the board, within the limits prescribed by this chapter. In return for the payment of the renewal fee, a renewal certificate of registration shall be issued.

SEC. 33. Section 4411 of the Business and Professions Code is amended to read:

4411. In case any person defaults in payment of the renewal fee, his or her registration may be revoked by the board on 60 days' notice in writing from the executive officer of the board, unless within this time the fee is paid, together with such penalty, not exceeding the amount fixed in this chapter, as the board may impose. Upon payment of the fee and penalty, the board shall reinstate the delinquent's registration. If the registration of any person is revoked, as provided in this section, the board may, nevertheless, thereafter

issue a certificate of registration to the person if the board determines that he or she is qualified by education or experience, or both, adequately to practice the profession of a registered pharmacist.

SEC. 34. Section 4804.5 is added to the Business and Professions Code, to read.

4804.5. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.

SEC. 35. Section 4805 of the Business and Professions Code is amended to read:

4805. The executive officer of the board may administer oaths or affirmations upon matters pertaining to the business of the board. Any person willfully making any false oath or affirmation is guilty of perjury.

SEC. 36. Section 4881 of the Business and Professions Code is amended to read:

4881. The executive officer in all cases of suspension, revocation, or restriction of licenses or assessment of fines shall enter on the register the fact of suspension, revocation, restriction, or fine, as the case may be. The record of any suspension, revocation, restriction, or fine so made by the county clerks shall be prima facie evidence of the fact thereof, and of the regularity of all the proceedings of the board in the matter of the suspension, revocation, restriction, or fine.

SEC. 37. Section 5013 of the Business and Professions Code is amended to read:

5013. The board shall keep records of all proceedings and actions by and before the board and before its committees. In any proceeding in court, civil or criminal, copies of those records certified as correct by the executive officer of the board under seal of the board shall be admissible in evidence and shall be prima facie evidence of the correctness of the contents thereof.

SEC. 38. Section 5015.6 is added to the Business and Professions Code, to read:

5015.6. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.

SEC. 39. Section 5016 of the Business and Professions Code is amended to read:

5016. A majority of the board shall constitute a quorum for the transaction of any business at any meeting of the board for which a notice of at least seven days is given by the president or executive officer. Notice of meetings may be waived in writing either before or after the meeting by unanimous consent of all members. The board shall meet at the call of the president and executive officer, but not less than twice each year. Any two members of the board may request the executive officer to call a special meeting, and the

executive officer, upon receiving that notice, shall call a meeting pursuant to the procedure prescribed herein.

SEC. 40. Section 5517 is added to the Business and Professions Code, to read:

5517. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.

SEC. 41. Section 5520 of the Business and Professions Code is amended to read:

5520. The board shall adopt a seal for its own use. The seal used shall have the words, "State Board of Architectural Examiners" inscribed thereon.

The executive officer shall have the care and custody of the seal.

SEC. 42. Section 5521 of the Business and Professions Code is amended to read:

5521. The executive officer shall keep an accurate record of all proceedings of the board.

SEC. 43. Section 5523 of the Business and Professions Code is amended to read:

5523. Special meetings of the board shall be called by the executive officer upon the written notice of four members by giving each member of the board 10 days' written notice of the time and place of the meeting.

SEC. 44. Section 5550 of the Business and Professions Code is amended to read:

5550. Subject to the rules and regulations governing examinations, any person who meets the qualifications set forth in this article shall be entitled to an examination for a certificate to practice architecture. Before taking the examination, a person shall file an application therefor with the executive officer and pay the application fee fixed by this chapter. The fee shall be retained by the board.

SEC. 45. Section 5551 of the Business and Professions Code is amended to read:

5551. If the applicant's examination is satisfactory, and if no charges of deception resorted to in obtaining the certificate, or any other violation of the provisions of this chapter have been filed with the board, upon the payment of the certificate fee fixed by this chapter, the executive officer shall issue a certificate to the applicant showing that the person named therein is entitled to practice architecture in this state, in accordance with the provisions of this chapter.

SEC. 46. Section 5570 of the Business and Professions Code is amended to read:

5570. In any proceeding for review by a court, the court may in its discretion, upon the filing of a proper bond by the holder of the certificate in an amount to be fixed by the court, guaranteeing the compliance by the holder of the certificate with specific conditions

imposed upon him or her by the board's decision, if any, permit the holder of the certificate to continue to practice as an architect pending entry of judgment by the court in the case. There shall be no stay of the board's decision pending an appeal or review of any proceeding unless the appellant or applicant for review shall file a bond in all respects conditioned as, and similar to, the bond required to stay the effect of the board's decision in the first instance.

The person desiring a review shall pay to the executive officer of the board the sum of twenty cents ($0.20) for each 100 words of the transcript of the record and proceedings certified to the court.

SEC. 47. Section 5571 of the Business and Professions Code is amended to read:

5571. A judgment of suspension or cancellation of a certificate by the superior court shall be subject to appeal or review in accordance with the provisions of law as to appeal from or review of judgments of superior courts.

There shall be no stay of execution or enforcement of the judgment pending any proceedings on appeal or review unless the appellant or applicant for review shall file a bond in all respects conditioned as, and similar to, the bond required to stay the effect of the board's decision in the first instance.

The clerk of the court whose judgment has become final shall, within 10 days after its entry, transmit, by regular United States mail, to the executive officer of the board a notice containing information as to the affirmance, modification, or reversal of the judgment of the superior court in the matter.

SEC. 48. Section 5624 of the Business and Professions Code is amended to read:

5624. The board shall elect from its members a president to hold office for one year. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter. The executive officer shall hold the office at the pleasure of the board and shall receive a salary fixed by the board with the approval of the Director of Finance.

SEC. 49. Section 5625 of the Business and Professions Code is amended to read:

5625. The board shall adopt a seal for its own use. The seal shall have the words "California State Board of Landscape Architects" inscribed thereon. The executive officer shall have the care and custody of the seal.

SEC. 50. Section 5626 of the Business and Professions Code is amended to read:

5626. The executive officer shall keep an accurate record of all proceedings of the board.

SEC. 51. Section 5627 of the Business and Professions Code is amended to read:

5627. The board shall meet at least once each calendar quarter for

the purposes of transacting its regular business, and may hold meetings at such times as it may designate. Special meetings of the board shall be called by the executive officer, upon the written request of any two members of the board, by mailing to each member of the board at least 20 days in advance of a special meeting a written notice specifying the time and place thereof.

SEC. 52. Section 5650 of the Business and Professions Code is amended to read:

5650. Subject to the rules and regulations governing examinations, any person, over the age of 18 years, who has had six years of training and educational experience in actual practice of landscape architectural work shall be entitled to an examination for a certificate to practice landscape architecture. A degree from a school of landscape architecture approved by the board shall be deemed equivalent to four years of training and educational experience in the actual practice of landscape architecture. Before taking the examination, a person shall file an application therefor with the executive officer and pay the application fee fixed by this chapter.

SEC. 53. Section 5652 of the Business and Professions Code is amended to read:

5652. If the applicant's examination is satisfactory, and upon the payment of the certificate fee fixed by this chapter, the executive officer shall issue a certificate to the applicant showing that the person named therein is entitled to practice landscape architecture in this state, in accordance with the provisions of this chapter.

SEC. 54. Section 5657 of the Business and Professions Code is amended to read:

5657. Each certificate holder shall notify the executive officer of the board of any change of address of his or her place of business. A penalty as provided in this chapter shall be paid by a certificate holder who fails to notify the secretary within 30 days after a change of address.

SEC. 55. Section 6503.5 is added to the Business and Professions Code, to read:

6503.5. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.

SEC. 56. Section 6504 of the Business and Professions Code is amended to read:

6504. The executive officer shall keep a record of all proceedings of the board.

SEC. 57. Section 6628 of the Business and Professions Code is amended to read:

6628. All moneys received by the board under this chapter shall be paid to the executive officer of the board, who shall give a receipt for it.

At the end of each month, the executive officer shall report to the

Controller the total amount of money received by him or her on behalf of the board from all sources, and shall at the same time deposit with the Treasurer the entire amount of receipts.

SEC. 58. Section 6714 of the Business and Professions Code is amended to read:

6714. The board shall appoint an executive officer at a salary to be fixed and determined by the board with the approval of the Director of Finance.

SEC. 59. Section 6715 of the Business and Professions Code is amended to read:

6715. The executive officer shall keep a complete record of all applications for registration and the board's action thereon and, once every four years, shall prepare a roster showing the names and addresses of all registered professional engineers. Between July 1 and December 1 in each year, except the year in which the roster is prepared, the executive officer shall prepare a supplemental roster showing changes in and additions to the roster.

A copy of the roster and the supplemental roster shall be filed with the Secretary of State. Copies of each shall be available on application to the executive officer, at the price per copy fixed by the board.

SEC. 60. Section 6760 of the Business and Professions Code is amended to read:

6760. A temporary authorization for the practice of engineering in a branch defined by this chapter may be granted, for a specific project, upon application and payment of the fee prescribed in Section 6799 for a period not to exceed 60 consecutive days in any calendar year if the applicant complies with all of the following:

(a) The applicant maintains no place of business in this state.

(b) The applicant is legally qualified to practice that branch of engineering in the state or country where he or she maintains a place of business.

(c) The applicant demonstrates by means of an individual appearance before the board satisfactory evidence of his or her knowledge of the application of seismic forces in the design of structures or adequate knowledge in any of the other phases of civil and professional engineering for which the applicant proposes to practice under the temporary authorization.

If the applicant can satisfy the board that completion of the specific project for which the authorization is granted, will require more than 60 consecutive calendar days, the board may extend the authorization to a period not to exceed 120 consecutive days.

Upon completion of the requirements, the executive officer on direction of the board shall issue a temporary authorization to the applicant.

SEC. 61. Section 6786 of the Business and Professions Code is amended to read:

6786. It is the duty of the respective members of the legal system to prosecute all persons charged with the violation of any of the provisions of this chapter.

It is the duty of the executive officer of the board, under the direction of the board, to aid these officers in the enforcement of this chapter.

SEC. 62. Section 7203.5 is added to the Business and Professions Code, to read:

7203.5. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.

SEC. 63. Section 7204 of the Business and Professions Code is amended to read:

7204. The executive officer shall keep all the records of the board and discharge such other duties as the board shall, from time to time, prescribe.

SEC. 64. Section 7211 of the Business and Professions Code is amended to read:

7211. Each applicant for a license hereunder shall file an application with the executive officer of the board at least 10 days before the date fixed for examination, and shall pay to the executive officer at the time of filing an application the sum of twenty-five dollars ($25). No license shall be granted until the applicant has satisfactorily completed the examination prescribed by the board and has shown that he or she is equipped by a school or by equivalent facilities satisfactory to the board to give blind persons at least four weeks' training under traffic conditions. An annual fee of five dollars ($5) shall be required for the renewal of a license.

All fees received under this chapter shall be deposited in the General Fund.

SEC. 65. Section 7305 of the Business and Professions Code is amended to read:

7305. The members of the board shall annually elect a president from among their number.

Subject to the approval of the director, the board may appoint an executive officer, who shall not be a member of the board.

The compensation of the executive officer shall be fixed by the board, with the approval of the director, and in accordance with the State Civil Service Act. It shall be paid out of the funds received by the board, and no part shall be paid from the general revenue funds of the state.

SEC. 66. Section 7412 of the Business and Professions Code is amended to read:

7412. Every registered or licensed cosmetologist, junior operator, electrologist, junior electrologist, manicurist, cosmetology instructor, cosmetician, and electrology instructor, shall, within 30 days after a change of address, as designated on the books of the board, notify the executive officer of the new address, and, upon receipt of the notification, the executive officer shall make the necessary changes in the register.

SEC. 66.5. Section 7412 of the Business and Professions Code is

amended to read:

7412. Every registered or licensed cosmetologist, junior operator, electrologist, junior electrologist, manicurist, cosmetology instructor, esthetician, esthetician instructor, and electrology instructor, shall, within 30 days after a change of address, as designated on the books of the board, notify the executive officer of the new address, and, upon receipt of the notification, the executive officer shall make the necessary changes in the register.

SEC. 67. Section 7607.5 is added to the Business and Professions Code, to read:

7607.5. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.

SEC. 68. Section 7628 of the Business and Professions Code is amended to read:

7628. Any funeral director desiring to change his or her place of business shall apply therefor on forms furnished by the board and shall include a fee fixed by this chapter.

The application shall be granted by the executive officer upon the filing with the board of a favorable report, approved by the executive officer, from a board member, except a public member, or inspector concerning the physical status or plans and specifications of the proposed funeral establishment to the effect that it conforms to the requirements of this article. Every application so granted shall be submitted for approval at the next meeting of the board after the issuance thereof, and no application for change of place of business shall become permanent until approved by the board.

SEC. 69. Section 7663 of the Business and Professions Code is amended to read:

7663. Whenever it appears to the executive officer of the board that no reason exists for the denial of an application and that the application is regular upon its face, the executive officer may issue a certificate of apprenticeship to the applicant, without submitting the application to the board.

If, however, any doubt exists as to the qualifications of the applicant, the application shall be submitted to the board and may be accepted or, after notice and hearing, rejected by a majority vote of the board.

SEC. 70. Section 7687 of the Business and Professions Code is amended to read:

7687. Upon receipt of a complaint, the executive officer shall ascertain whether or not the accused licensee has been guilty of an act or omission constituting a ground for disciplinary action and may make or cause to be made such investigation as he or she deems necessary in order to ascertain this fact.

If, with or without investigation, the executive officer determines that the accused licensee has not been guilty of an act or omission constituting a ground for disciplinary action, he or she shall notify the

complainant and file the findings with the board. If, with or without investigation, the executive officer determines that the accused licensee is guilty or is probably guilty of such an act or omission he or she shall forward the findings to the attorney for the board, including therein the recommendations, he or she deems desirable. Upon receipt of the findings and recommendations, the attorney for the board shall promptly take action thereon as may be proper.

SEC. 71. Section 7815.5 is added to the Business and Professions Code, to read:

7815.5. The board may appoint a person exempt from civil service who shall be designated as an executive officer and who shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.

SEC. 72. Section 7848 of the Business and Professions Code is amended to read:

7848. A temporary authorization for the practice of geology or a certified specialty geology, or both geology and a certified specialty geology, may be granted, for a specific project, upon application and payment of the fee prescribed in Section 7887 for a period not to exceed 60 consecutive days in any calendar year if the applicant complies with all of the following:

(a) The applicant maintains no office for the practice of geology or a certified specialty geology, or both geology and a certified specialty geology, other than for the authorized project, in this state.

(b) The applicant is qualified to practice geology or a certified specialty geology, or both geology and a certified specialty geology for others, and is not legally prohibited from so doing, in the state or country where he or she maintains an office for that practice.

(c) The applicant demonstrates by means of an individual appearance before the board, or before a committee appointed by the board for that purpose, satisfactory evidence of adequate knowledge in that phase of geology for which the applicant proposes to practice under the temporary authorization.

If the applicant can satisfy the board that the completion of the specific project for which the authorization is granted will require more than 60 consecutive calendar days, the board may extend the authorization to a period not to exceed a total of 120 days.

Upon completion of these requirements as necessary, the executive officer on direction of the board shall issue a temporary authorization to the applicant.

SEC. 73. Section 7848.1 of the Business and Professions Code is amended to read:

7848.1. A temporary authorization for the practice of geophysics or a certified specialty geophysics, or both geophysics and a certified specialty geophysics, may be granted, for a specific project, upon application and payment of the fee prescribed in Section 7887 for a period not to exceed 60 consecutive days in any calendar year if the applicant complies with all of the following:

(a) The applicant maintains no office for the practice of

geophysics or a certified specialty geophysics, or both geophysics and a certified specialty geophysics, other than for the authorized project, in this state.

(b) The applicant is qualified to practice geophysics or a certified specialty geophysics, or both geophysics and a certified specialty geophysics for others, and is not legally prohibited from so doing, in the state or country where he or she maintains an office for that practice.

(c) The applicant demonstrates by means of an individual appearance before the board, or before a committee appointed by the board for that purpose, satisfactory evidence or adequate knowledge in that phase of geophysics for which the applicant proposes to practice under the temporary authorization.

If the applicant can satisfy the board that the completion of the specific project for which the authorization is granted will require more than 60 consecutive calendar days, the board may extend the authorization to a period not to exceed a total of 120 days.

Upon completion of these requirements as necessary, the executive officer on direction of the board shall issue a temporary authorization to the applicant.

SEC. 74. Section 7850.5 of the Business and Professions Code is amended to read:

7850.5. An applicant who has passed the examination for a certified specialty geologist and has otherwise qualified under this chapter in the specialty, upon payment of the fee fixed by this chapter shall have a certificate issued to him or her as a certified specialty geologist.

A certificate of certified specialty geologist shall be signed by the president and executive officer and issued under the seal of the board.

SEC. 75. Section 7850.6 of the Business and Professions Code is amended to read:

7850.6. An applicant who has passed the examination for a certified specialty geophysicist and has otherwise qualified under this chapter in the specialty, upon payment of the fee fixed by this chapter shall have a certificate issued to him or her as a certified specialty geophysicist. A certificate of certified specialty geophysicist shall be signed by the president and executive officer and issued under the seal of the board.

SEC. 76. Section 7871 of the Business and Professions Code is amended to read:

7871. It shall be the duty of the respective officers charged with the enforcement of laws and ordinances to prosecute all persons charged with the violation of any of the provisions of this chapter.

It shall be the duty of the executive officer of the board, under the direction of the board, to aid these officers in the enforcement of this chapter.

SEC. 77. Section 8005 of the Business and Professions Code is amended to read:

8005. The Certified Shorthand Reporters Board is charged with the executive functions necessary for effectuating the purposes of this chapter. It may appoint committees as it deems necessary or proper. The board may appoint, prescribe the duties, and fix the salary of an executive officer, who may be employed on a part-time basis. Except as provided by Section 159.5, the board may also employ other employees as may be necessary, subject to civil service and other provisions of law.

SEC. 78. Section 8022 of the Business and Professions Code is amended to read:

8022. Each applicant for a certificate under this chapter shall file an application with the executive officer of the board at least 30 days before the date fixed for examination, and the application shall be accompanied by the required fee.

SEC. 79. Section 8707 of the Business and Professions Code is amended to read:

8707. "Executive officer" refers to the executive officer of the board.

SEC. 80. Section 8711 of the Business and Professions Code is amended to read:

8711. The executive officer of the board shall keep a complete record of all applications for license and the board's action thereon.

SEC. 81. Section 8712 of the Business and Professions Code is amended to read:

8712. The executive officer shall prepare, once every four years, a roster showing the names and addresses of all licensed land surveyors and containing all the rules and regulations adopted by the board for the administration of this chapter. The roster shall be a part of the roster of registered professional engineers issued by the board. Between July 1 and December 1 of each year, except the year in which the roster is prepared, the executive officer shall prepare a supplemental roster showing changes in and additions to the roster.

Copies of the roster and the supplemental roster shall be filed with the Secretary of State.

Copies of the roster and the supplemental roster shall be available to the general public on application to the executive officer at the price per copy fixed by the board.

All records shall be public records.

SEC. 82. Section 8753 of the Business and Professions Code is amended to read:

8753. A temporary license as a land surveyor may be granted, upon application and payment of the temporary license fee fixed by this chapter, if the applicant complies with each of the following provisions:

(a) The applicant maintains no place of business in this state.

(b) The applicant is legally qualified to do land surveying in the state or country where he or she maintains a place of business to do land surveying.

(c) The applicant's practice as a land surveyor in this state does

not require more than 60 days in any one calendar year.

(d) The applicant notifies the board in writing of his or her intention to practice stating the approximate date when he or she intends to commence and the approximate length of time he or she expects to continue.

The executive officer, after having determined that the applicant is qualified and has complied with the provisions of this section, may issue a temporary license to practice for a period of not to exceed 60 days.

SEC. 83. Section 9005 of the Business and Professions Code is amended to read:

9005. The board shall appoint an executive officer, which position is hereby designated as a confidential position and exempt from civil service under subdivision (e) of Section 4 of Article VII of the California Constitution.

The executive officer shall have the same qualifications required of a member of the board, and shall serve at its pleasure.

SEC. 84. Section 9006 of the Business and Professions Code is amended to read:

9006. The executive officer shall exercise the powers and perform the duties delegated by the board and vested in him or her by this chapter.

SEC. 85. Section 9007 of the Business and Professions Code is amended to read:

9007. With the approval of the Director of Consumer Affairs, the board shall fix the salary of the executive officer.

SEC. 86. Section 9011 of the Business and Professions Code is amended to read:

9011. The duty of enforcing the provisions of this chapter is vested in the board and the executive officer subject to and under the direction of the board.

In the performance of this duty, the board and the executive officer have all the powers and are subject to all the responsibilities vested in and imposed upon the head of a department by Chapter 2 (commencing with Section 11150) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 87. Section 9532 of the Business and Professions Code is amended to read:

9532. The board shall enforce and administer the provisions of this chapter subject to the powers conferred upon the director by this code. The board shall have power to employ an executive officer and, except as provided by Section 159.5, other administrative, technical and clerical employees as may be reasonably necessary for the administration of this chapter. The board shall elect officers, providing that the office of president shall be for a term not to exceed one year and that no member shall succeed himself or herself as president of the board. The board shall adopt and use a common seal for the authentication of its orders and records.

SEC. 88. Nothing in this bill shall be construed as requiring the

boards subject to this act to immediately discontinue using preprinted forms, licenses, certificates, or other documents which may contain the title "executive secretary." These supplies may continue to be used until the inventory is depleted.

SEC. 89. Notwithstanding any other provision of law to the contrary, any reference in law or regulation to a secretary, executive secretary, or secretary-treasurer of a board or committee subject to this act shall be deemed to refer to the executive officer of the board or committee, created by this act.

SEC. 90. Section 66.5 of this bill incorporates amendments to Section 7412 of the Business and Professions Code proposed by both this bill and AB 423. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 1985, but this bill becomes operative first, (2) each bill amends Section 7412 of the Business and Professions Code, and (3) this bill is enacted after AB 423, in which case Section 7412 of the Business and Professions Code, as amended by Section 66 of this bill, shall remain operative only until the operative date of AB 423, at which time Section 66.5 of this bill shall become operative.

SEC. 91. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to effect an orderly transition of the management of boards under the Department of Consumer Affairs, it is necessary that this bill go into immediate effect.

CHAPTER 48

An act to amend Sections 12002.5, 12002.6, 12002.8, and 13200 of, to repeal Sections 2370, 8210.3, 8210.4, 8210.5, 8210.7, 8212, and 8225 of, and to repeal and add Section 8210.2 of, the Fish and Game Code, relating to fish and game.

[Approved by Governor March 21, 1984. Filed with Secretary of State March 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 2370 of the Fish and Game Code is repealed.

SEC. 2. Section 8210.2 of the Fish and Game Code is repealed.

SEC. 3. Section 8210.2 is added to the Fish and Game Code, to read:

8210.2. Except as modified by the director pursuant to Section 7652, salmon may be taken under authority of a commercial fishing license and a commercial fishing salmon stamp only in Districts 6, 7, 10, 11, 15, 16, 17, 18, and 19. All species of salmon, except silver salmon, may be taken only between April 15 and September 30.

Silver salmon may be taken only between May 15 and September 30. No king salmon may be possessed that is less than 26 inches in length and no silver salmon may be possessed that is less than 22 inches. The length of salmon is to be measured from the tip of the snout to the extreme tip of the tail without resorting to any force other than swinging or fanning the tail. Salmon may be taken for commercial purposes only by hook and line and there is no bag limit.

SEC. 4. Section 8210.3 of the Fish and Game Code is repealed.

SEC. 5. Section 8210.4 of the Fish and Game Code is repealed.

SEC. 6. Section 8210.5 of the Fish and Game Code is repealed.

SEC. 7. Section 8210.7 of the Fish and Game Code is repealed.

SEC. 8. Section 8212 of the Fish and Game Code is repealed.

SEC. 9. Section 8225 of the Fish and Game Code is repealed.

SEC. 10. Section 12002.5 of the Fish and Game Code is amended to read:

12002.5. Notwithstanding Sections 12000, 12001, and 12002, a certificate of boat registration may be revoked or suspended by the commission, when requested by the department, for a period not to exceed one year, upon conviction of the registrant, his agent, servant, employee, or person acting under his direction or control, for a violation of Section 7121 or the regulations adopted pursuant thereto, if the violation in question involved a vessel licensed pursuant to Section 7920.

Notwithstanding Sections 12000, 12001, and 12002, a certificate of boat registration of a vessel licensed pursuant to Section 7920 may be revoked or suspended by the commission, when requested by the department, for a period not to exceed one year, upon conviction of any other person for a violation of Section 7121, if the fish or amphibia involved in the violation were taken from the vessel and that person committed a prior violation of Section 7121 within three years on the vessel.

However, the certificate shall not be revoked for a violation which is unrelated to the vessel for which the certificate of registration is to be revoked. Any violation committed without the knowledge of the master, or an agent or employee of the registrant, is unrelated to the vessel.

This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1988, deletes or extends that date.

SEC. 11. Section 12002.6 of the Fish and Game Code is amended to read:

12002.6. Notwithstanding Sections 12000, 12001, and 12002 a certificate of boat registration may be revoked or suspended by the commission, when requested by the department, for a period not to exceed one year, upon the second conviction in three years of the registrant, or his agent, servant, employee, or person acting under his direction or control, for a violation of any of the following provisions or regulations adopted pursuant thereto:

(1) Article 2 (commencing with Section 8150), Article 3

(commencing with Section 8180), Article 4 (commencing with Section 8210), Article 5 (commencing with Section 8250), Article 6 (commencing with Section 8275), Article 7 (commencing with Section 8300), Article 9 (commencing with Section 8370), Article 13 (commencing with Section 8495), and Article 15 (commencing with Section 8550) of Chapter 2 of Part 3 of Division 6.

(2) Article 1 (commencing with Section 8601), Article 2 (commencing with Section 8620), Article 4 (commencing with Section 8660), Article 5 (commencing with Section 8685), Article 6 (commencing with Section 8720), Article 7 (commencing with Section 8750), Article 8 (commencing with Section 8780), and Article 10 (commencing with Section 8830) of Chapter 3 of Part 3 of Division 6.

(3) Article 1 (commencing with Section 9000) of Chapter 4 of Part 3 of Division 6.

However, the certificate shall not be revoked unless both the first and second convictions are related to the boat for which the certificate of registration is to be revoked, and are for violations which occurred when the person convicted was the registrant or the registrant's agent, servant, employee, or acting under his direction or control.

This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1988, deletes or extends that date.

SEC. 12. Section 12002.8 of the Fish and Game Code is amended to read:

12002.8. Notwithstanding Sections 12000, 12001, and 12002, the commercial fishing license of the master of a vessel may be revoked or suspended by the commission, when requested by the department, for a period not to exceed one year, upon the second conviction in three years of the master or his agent, servant, employee, or person acting under his direction or control, for a violation of any of the following provisions or regulations adopted pursuant thereto:

(1) Article 2 (commencing with Section 8150), Article 3 (commencing with Section 8180), Article 4 (commencing with Section 8210), Article 5 (commencing with Section 8250), Article 6 (commencing with Section 8275), Article 7 (commencing with Section 8300), Article 9 (commencing with Section 8370), Article 13 (commencing with Section 8495), and Article 15 (commencing with Section 8550) of Chapter 2 of Part 3 of Division 6.

(2) Article 1 (commencing with Section 8601), Article 2 (commencing with Section 8620), Article 4 (commencing with Section 8660), Article 5 (commencing with Section 8685), Article 6 (commencing with Section 8720), Article 7 (commencing with Section 8750), Article 8 (commencing with Section 8780), and Article 10 (commencing with Section 8830) of Chapter 3 of Part 3 of Division 6.

(3) Article 1 (commencing with Section 9000) of Chapter 4 of Part

3 of Division 6.

However, a master's license shall not be revoked unless both the first and second convictions are for a violation by the master or a violation occurring when the person convicted was acting as the master's agent, servant, employee, or acting under his direction or control.

The master of a vessel is the person on board the vessel who is in charge of the vessel.

This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1988, deletes or extends that date.

SEC. 13. Section 13200 of the Fish and Game Code is amended to read:

13200. The department shall maintain a cost accounting system that shall accumulate costs for each activity or program in which the department is engaged.

SEC. 14. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 49

An act to amend Section 40043 of the Education Code, and to repeal Section 1 of Chapter 1502 of the Statutes of 1982, relating to education, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 21, 1984. Filed with Secretary of State March 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 40043 of the Education Code is amended to read:

40043. (a) The governing board of any school district shall grant without charge the use of any school facilities or grounds under its control, when an alternative location is not available, to nonprofit organizations, and clubs or associations organized to promote youth and school activities, including, but not limited to:

(1) Girl Scouts, Boy Scouts, Camp Fire, Inc.

(2) Parent-teachers' associations.

(3) School-community advisory councils.

This subdivision shall not apply to any group which uses school

facilities or grounds for fundraising activities which are not beneficial to youth or public school activities of the district, as determined by the governing board.

(b) Except as otherwise provided by law, the governing board may charge an amount not to exceed its direct costs for activities other than those specified in subdivision (a). Each governing board which decides to levy these charges shall first adopt a policy specifying which activities shall be charged an amount not to exceed direct costs.

(c) The governing board of any school district which authorizes the use of school facilities or grounds for the purpose specified in paragraph (3) of subdivision (b) of Section 40041 shall charge the church or religious denomination an amount at least equal to the district's direct costs.

(d) In the case of entertainments or meetings where admission fees are charged or contributions are solicited and the net receipts are not expended for the welfare of the pupils of the district or for charitable purposes, a charge shall be levied for the use of school facilities or grounds which charge shall be equal to fair rental value.

(e) If any group activity results in the destruction of school property, the group may be charged for an amount necessary to repay the damages, and further use of facilities may be denied.

(f) As used in this section, "direct costs" to the district for the use of school facilities or grounds means those costs of supplies, utilities, janitorial services, services of any other district employees, and salaries paid school district employees necessitated by the organization's use of the school facilities and grounds of the district.

(g) As used in this section, "fair rental value" means the direct costs to the district, plus the amortized costs of the school facilities or grounds used for the duration of the activity authorized.

SEC. 2. Section 1 of Chapter 1502 of the Statutes of 1982 is repealed.

SEC. 3. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 4. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide for the free access of Girl Scouts to civic center

facilities as soon as possible, it is necessary for this act to take effect immediately.

CHAPTER 50

An act to add Section 1463.21 to the Penal Code, to amend Sections 27163, 27174.1 and 27177 of, and to add Sections 27557, 27558, 27559, 27560, and 27561 to, the Streets and Highways Code, and to amend Section 21113 of the Vehicle Code, relating to bridge and highway districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 21, 1984 Filed with Secretary of State March 22, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 1463.21 is added to the Penal Code, to read:

1463.21. Notwithstanding the provisions of Section 1463, out of the moneys deposited with the county treasurer pursuant to Section 1463, an amount equal to 85 percent of all fines and forfeitures collected during the preceding month upon the conviction of, or upon the forfeiture of bail from, any person arrested or notified by an employee of a district organized pursuant to Part 3 (commencing with Section 27000) of Division 16 of the Streets and Highways Code and charged with a violation of any law, including any rule, regulation or ordinance of such a district, that occurs on or about the property of such district, including parking facilities and transit facilities, shall be transferred once a month, to the district, and an amount equal to the remaining 15 percent shall be transferred into the general fund of the county.

A district organized pursuant to Part 3 (commencing with Section 27000) of Division 16 of the Streets and Highways Code and any county in which property under the possession or control of the district is located may, by mutual agreement, adjust the percentages of fines and forfeitures to be received by the district and county respectively under this section. In the absence of such an agreement, the percentages prescribed by this section shall apply.

SEC. 2. Section 27163 of the Streets and Highways Code is amended to read:

27163. The district may take by grant, purchase, gift, devise, or lease, or otherwise acquire, and hold, use, and enjoy, real and personal property of every kind within or without the district necessary for the full or convenient exercise of its powers. The board may lease, mortgage, sell, or otherwise dispose of any real or personal property within or without the district when, in its judgment, it is for the best interests of the district so to do.

SEC. 3. Section 27174.1 of the Streets and Highways Code is

amended to read:

27174.1. The district may adopt rules and regulations not inconsistent with the Vehicle Code for the control of traffic on any facility of travel constructed by the district, to aid and insure the safe and orderly flow of traffic, and shall so far as practicable notify the public of such rules and regulations by signs on such facility of travel. The district may also adopt rules and regulations pertaining to parking areas in conjunction with any facilities of travel constructed or maintained by the district. The district may also adopt rules and regulations governing the use of all modes of transportation owned, operated, or maintained by the district.

The district may enforce any rule, regulation, or ordinance adopted by the board of directors of the district pursuant to this section or subdivision (a) of Section 21113 of the Vehicle Code and relating to stopping or parking of vehicles by the issuance of notices of parking violation in the manner prescribed by Section 41103 of the Vehicle Code. Notices of parking violation may be issued by those employees of the district authorized by rule, regulation, or ordinance of the district.

SEC. 4. Section 27177 of the Streets and Highways Code is amended to read:

27177. The California Highway Patrol shall have the authority and it shall be its duty to provide for proper and adequate policing of all facilities of travel constructed by the district, to insure the enforcement thereon of the Vehicle Code and of any other law relating to the use and operation of vehicles upon highways or vehicular crossings as defined in the Vehicle Code, and of the rules and regulations adopted by the board of directors of the district in respect to facilities of travel and parking areas, and to cooperate with the district, to the end that such facilities of travel and parking areas be operated at all times in such manner as to carry traffic efficiently. This authority of the California Highway Patrol is exclusive except as to the authority conferred upon the district by Section 27174.1 in respect to those facilities of travel or parking areas.

All required accident reports and supplemental reports, and all other reports made to the California Highway Patrol by any peace officer, member of the California Highway Patrol, or other employees of the Department of Motor Vehicles and California Highway Patrol relative to accidents and incidents occurring on property of a bridge and highway district shall be immediately available for the confidential use of the district.

SEC. 5. Section 27557 is added to the Streets and Highways Code, to read:

27557. The district may purchase transit equipment, such as cars, trolley buses and motorbuses, or rolling equipment, and may execute agreements, leases, and equipment trust certificates in the forms customarily used by private corporations engaged in the transit business appropriate to effect the purchase and leasing of transit equipment, and may dispose of the equipment trust certificates on

terms and conditions that the board may deem appropriate. Payment for the equipment, or rentals therefor, may be made in installments. The deferred installments may be evidenced by equipment trust certificates payable from any source of funds specified in the certificates that are or will be legally available to the district. Title to the equipment shall not vest in the district until the equipment trust certificates are paid.

SEC. 6. Section 27558 is added to the Streets and Highways Code, to read:

27558. The agreement to purchase or lease may direct the vendor or lessor to sell and assign or lease the rolling equipment to a bank or trust company duly authorized to transact business in the state as trustee for the benefit and security of the equipment trust certificates, may direct the trustee to deliver the rolling equipment to one or more designated officers of the district, and may authorize the district to simultaneously therewith execute and deliver an installment purchase agreement or a lease of the equipment to the district.

SEC. 7. Section 27559 is added to the Streets and Highways Code, to read:

27559. The agreements and leases shall be duly acknowledged before a person authorized by law to take acknowledgments of deeds and in the form required for acknowledgment of deeds. The agreements, leases, and equipment trust certificates shall be authorized by resolution of the district and shall contain the covenants, conditions, restrictions, and provisions which may be deemed necessary or appropriate to insure the payment of the equipment trust certificates from legally available source of funds specified in the certificates.

SEC. 8. Section 27560 is added to the Streets and Highways Code, to read:

27560. The covenants, conditions, restrictions, and provisions of the agreements, leases, and equipment trust certificates shall not conflict with any of the provisions of any trust agreement securing the payment of bonds, notes, or certificates of the district.

SEC. 9. Section 27561 is added to the Streets and Highways Code, to read:

27561. An executed copy of each agreement and lease shall be filed in the office of the Secretary of State, who may receive one dollar ($1) for each copy filed with the Secretary of State. The filing constitutes notice to any subsequent judgment creditor or any subsequent purchaser. Each vehicle so purchased or leased shall have the name of the owner or lessor plainly marked on both sides of the vehicle followed by the appropriate words "Owner and Lessor" or "Owner and Vendor," as the case may be.

SEC. 10. Section 21113 of the Vehicle Code is amended to read:

21113. (a) No person shall drive any vehicle or animal, nor shall any person stop, park, or leave standing any vehicle or animal, whether attended or unattended, upon the driveways, paths, parking

facilities, or the grounds of any public school, state university, state college, unit of the state park system, county park, municipal airport, rapid transit district, transit development board, or any property under the direct control of the legislative body of a municipality, or any state, county, or hospital district institution or building, or any educational institution exempted, in whole or in part, from taxation, or any harbor improvement district or harbor district formed pursuant to Part 2 (commencing with Section 5800) or Part 3 (commencing with Section 6000) of Division 8 of the Harbors and Navigation Code, a district organized pursuant to Part 3 (commencing with Section 27000) of Division 16 of the Streets and Highways Code, or state grounds served by the California State Police, except with the permission of, and upon and subject to any condition or regulation which may be imposed by the legislative body of the municipality, or the governing board or officer of the public school, state university, state college, county park, municipal airport, rapid transit district, transit development board, or state, county, or hospital district institution or building, or educational institution, or harbor district, or a district organized pursuant to Part 3 (commencing with Section 27000) of Division 16 of the Streets and Highways Code, or the Director of Parks and Recreation regarding units of the state park system or the state agency with jurisdiction over the grounds served by the California State Police.

(b) Every governing board, legislative body, or officer shall erect or place appropriate signs giving notice of any special conditions or regulations that are imposed under this section and every board, legislative body, or officer shall also prepare and keep available at the principal administrative office of the board, legislative body, or officer, for examination by all interested persons, a written statement of all those special conditions and regulations adopted under this section.

(c) When any governing board, legislative body, or officer permits public traffic upon the driveways, paths, parking facilities, or grounds under their control then, except for those conditions imposed or regulations enacted by the governing board, legislative body, or officer applicable to the traffic, all the provisions of this code relating to traffic upon the highways shall be applicable to the traffic upon the driveways, paths, parking facilities, or grounds.

(d) With respect to the permitted use of vehicles or animals on property under the direct control of the legislative body of a municipality, no change in the use of vehicles or animals on the property, which had been permitted on January 1, 1976, shall be effective unless and until the legislative body, at a meeting open to the general public, determines that the use of vehicles or animals on such property should be prohibited or regulated.

(e) A transit development board may adopt ordinances, rules, or regulations to restrict, or specify the conditions for, the use of bicycles, motorized bicycles, skateboards, and roller skates on property under the control of, or any portion of property used by, the

board.

(f) A public agency, including, but not limited to, the Regents of the University of California and the Trustees of the California State University, may adopt rules or regulations to restrict, or specify the conditions for, the use of bicycles, motorized bicycles, skateboards, and roller skates on public property under the jurisdiction of that agency.

SEC. 11. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act or because the local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act.

SEC. 13. This is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for the Golden Gate Bridge, Highway and Transportation District to meet requirements for participation in federal leasing and tax benefit provisions and to be able to control parking during the 1984 Democratic Convention, it is necessary that this act take effect immediately.

CHAPTER 51

An act to amend and repeal Section 11114 of the Penal Code, relating to missing persons.

[Approved by Governor March 21, 1984 Filed with Secretary of State March 22, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 11114 of the Penal Code is amended to read:

11114. (a) When any person makes a report of a missing person to a police or sheriff's department or other law enforcement authority, the person making the report shall be given in person or by mail a form supplied by the Department of Justice authorizing the release of the dental records of the person reported missing. Included with such form shall be instructions which state that if the person reported missing is still missing 30 days after the report is made, the release form signed by a member of the family or next of kin of the missing person should be taken to the dentist or dentists of the missing person to obtain the release of the dental records and that dental records should be submitted within 10 days by the person

to whom released to the police or sheriff's department or other law enforcement authority to which the missing person report was made. When the person reported missing has not been found within 30 days and no family or next of kin exists or can be located, the law enforcement authority may execute a written declaration, stating that an active investigation seeking the location of the missing person is being conducted, and that the dental records are necessary for the exclusive purpose of furthering the investigation. Such written declaration, signed by a peace officer, is sufficient authority for the dentist or dentists to release the missing person's dental records.

(b) When a person reported missing has not been found within 45 days, the sheriff, chief of police, or other law enforcement authority initiating and conducting the investigation for the missing person shall confer with the coroner or medical examiner prior to the preparation of a missing person report. After conferring with the coroner or medical examiner, the sheriff, chief of police, or other law enforcement authority initiating and conducting the investigation for the missing person shall submit a missing person report and the dental records received pursuant to subdivision (a) to the Department of Justice on forms supplied by the department for such purpose.

(c) Notwithstanding subdivisions (a) and (b), the form provided under subdivision (a) shall state that if the person reported missing is under 18 years of age, the form should be taken to the dentist or dentists immediately when the law enforcement authority determines that the disappearance was under suspicious circumstances, and that dental records should be submitted immediately thereafter to the law enforcement authority. Where authorized to execute a written declaration to obtain the release of dental records, the law enforcement authority may do so immediately when a person reported missing who is under 18 years of age is determined by the authority to have disappeared under suspicious circumstances. In any such case, the law enforcement authority should confer immediately with the coroner or medical examiners and should submit its report including the dental records within 24 hours thereafter to the Department of Justice.

(d) When a person reported missing has been found, the sheriff, chief of police, coroner or medical examiner, or other law enforcement authority shall report such information to the Department of Justice. After receiving such a report, the department shall erase all records with respect to such person which are maintained pursuant to subdivision (e).

(e) The Department of Justice shall maintain a file of information concerning persons reported to it as missing and who have not been reported as found. The file shall contain the information referred to in subdivision (b) and such other information as the Department of Justice finds to be relevant to assisting in the location of a missing person.

The Department of Justice files shall be made available to law

enforcement agencies attempting to locate missing persons. The department shall develop a system of cataloging missing person reports according to a variety of characteristics to facilitate locating particular categories of reports as needed.

CHAPTER 52

An act to amend Section 41704 of, and to add and repeal Section 41514.5 of, the Health and Safety Code, relating to air pollution, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 28, 1984 Filed with Secretary of State March 28, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 41514.5 is added to the Health and Safety Code, to read:

41514.5. Documented vessels shall not be subject to sulfur dioxide emission requirements. However, nothing in this part shall be construed to prohibit adoption or enforcement of any rule or regulation governing sulfur dioxide emission requirements of marine tank vessels trading the majority of the time in intrastate commerce within California or in interstate commerce between California and other states, or both, or enforcement of any rule or regulation governing sulfur dioxide emission requirements on marine vessels which had been adopted by any district prior to July 1, 1979.

This section shall remain in effect only until January 1, 1990, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1990, deletes or extends that date.

SEC. 2. Section 41704 of the Health and Safety Code is amended to read:

41704. Section 41701 does not apply to any of the following:

(a) Fires set pursuant to Section 41801.

(b) Agricultural burning for which a permit has been granted pursuant to Article 3 (commencing with Section 41850).

(c) Fires set or permitted by any public officer in the performance of his or her official duty for the improvement of watershed, range, or pasture.

(d) Use of any aircraft to distribute seed, fertilizer, insecticides, or other agricultural aids over lands devoted to the growing of crops or raising of fowl or animals.

(e) Open outdoor fires used only for cooking of food for human beings or for recreational purposes.

(f) The use of orchard and citrus grove heaters which are in compliance with the requirements set forth in Section 41860.

(g) Agricultural operations necessary for the growing of crops or raising of fowl or animals.

(h) The use of other equipment in agricultural operations necessary for the growing of crops or raising of fowl or animals.

(i) Fugitive dust emissions from rock crushing facilities within the Southeast Desert Air Basin, where the facilities were in existence prior to January 1, 1970, at a location where the population density is less than 10 persons per square mile in each square mile within a seven-mile radius of the facilities; provided, however, that under no circumstances shall the emissions cause a measurable degradation of the ambient air quality or create a nuisance. This subdivision does not apply to any rock crushing facilities which (1) process in excess of 100 tons of rock in any 24-hour period, averaged over any period of 30 consecutive days, (2) have 25 or more employees, (3) fail to operate and maintain in good working order any emission control equipment installed prior to January 1, 1978, or (4) undergo a change of ownership after January 1, 1977.

(j) Emissions from vessels using steam boilers during emergency boiler shutdowns for safety reasons, safety and operational tests required by governmental agencies, and where maneuvering is required to avoid hazards.

(k) Emissions from vessels during a breakdown condition, as long as the discharge is reported in accordance with district requirements.

(*l*) The use of visible emission generating equipment in training sessions conducted by governmental agencies necessary for certifying persons to evaluate visible emissions for compliance with Section 41701 or applicable district rules and regulations. Any local or regional authority rule or regulation relating to visible emissions are not applicable to the equipment.

(m) Smoke emissions from teepee burners operating in compliance with Section 4438 of the Public Resources Code during the disposal of forestry and agricultural residues or forestry and agricultural residues with supplementary fossil fuels when the emissions result from the startup or shutdown of the combustion process or from the malfunction of emission control equipment. This subdivision does not apply to emissions which exceed a period or periods of time aggregating more than 30 minutes in any 24-hour period. This subdivision does not apply to emissions which result from the failure to operate and maintain in good working order any emission control equipment.

(n) Smoke emissions from burners used to produce energy and fired by forestry and agricultural residues with supplementary fossil fuels when the emissions result from startup or shutdown of the combustion process or from the malfunction of emission control equipment. This subdivision does not apply to emissions which exceed a period or periods of time aggregating more than 30 minutes in any 24-hour period, or which result from the failure to operate and maintain in good working order any emission control equipment.

(o) Emissions from methanol fuel manufacturing plants which manufacture not more than 2,000,000 gallons of methanol fuel per

day from wood, agricultural waste, natural gas, or coke (exclusive of petroleum coke). As used in this subdivision, "manufacturing plant" includes all necessary support systems, including field operations equipment that provide feed stock. However, this subdivision shall apply to not more than one methanol fuel manufacturing plant in each air basin and each plant shall be located in an area designated as an "attainment area" pursuant to the Clean Air Act (42 U.S.C. Sec. 7401 et seq.) and shall meet all applicable standards required by the district board. This subdivision shall remain in effect with respect to a plant until five years after construction of the plant and shall have no force and effect with respect to the plant on and after that date.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to implement a recommendation of the State Air Resources Board to preclude air pollution control districts and air quality management districts from adopting additional regulations on sulfur dioxide emissions with respect to documented vessels, with a specified exception, as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 53

An act to amend Sections 22302, 23701.5, 23910.1, 23914, 23917, 24102, 24103, and 24204 of the Education Code, relating to the State Teachers' Retirement System.

[Approved by Governor March 28, 1984 Filed with Secretary of State March 28, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 22302 of the Education Code is amended to read:

22302. The board shall determine annually the rate of credited interest to be credited to members' accumulated retirement contributions for service performed after June 30, 1935, and the accumulated annuity deposit contributions excluding all accumulated contributions while being paid as allowances under the provisions of Sections 23804, 24100, and 24100.5.

The board shall credit interest to all other accumulated reserves at the actuarially assumed interest rate.

SEC. 2. Section 23701.5 of the Education Code is amended to read:

23701.5. If the estate is the beneficiary, and if the estate need not be probated except for the payments due from the system, all of the amount due shall be paid directly without probate to the survivors

of the deceased as separate property would be distributed in accordance with Part 2 (commencing with Section 6400) of Division 6 of the Probate Code. Payment to a person or persons, upon receipt of an affidavit upon a form supplied by the system, that there are no others entitled to receive the payment and that the estate of the deceased will not be probated, shall be in full and complete discharge and acquittance of the board and system on account of the death.

SEC. 3. Section 23910.1 of the Education Code is amended to read:

23910.1. For any one or more months in which a disabilitant's allowance, exclusive of amounts payable on account of minor children or full-time students, and earnings exceed 100 percent of indexed final compensation, 100 percent of the amount in excess shall be considered overpaid and recovery shall be made.

This action does not apply to disabilitants who have allowances terminated under Section 23910 or who are enrolled in an approved rehabilitation program.

SEC. 4. Section 23914 of the Education Code is amended to read:

23914. Upon termination of a retirement or disability allowance which began to accrue on or after July 1, 1972, the person's individual account shall be credited with the amount of his accumulated retirement contributions as they were on the effective date of retirement or disability allowance, less the sum of all payments made under subdivision (a) of Sections 24000, 24100, and 24100.5. The reduction shall not be greater than the total of such accumulated retirement contributions.

Upon the termination of a retirement, the person's accumulated annuity deposit contribution accounts shall be credited with the amounts of such contributions as they were on the date the annuity became payable because of such retirement less the sum of all payments made under subdivision (b) of Section 24000.

SEC. 5. Section 23917 of the Education Code is amended to read:

23917. Allowances payable under subdivision (a) of Section 24000 or Sections 24100 and 24100.5 shall be increased by application of the improvement factor.

SEC. 6. Section 24102 of the Education Code is amended to read:

24102. Allowances payable under Sections 24100 and 24100.5 shall be reduced by an amount equal to the unmodified benefits paid or payable under other public systems for the same impairment or impairments that qualify the member for a disability allowance.

SEC. 7. Section 24103 of the Education Code is amended to read:

24103. Allowances payable under Sections 24100 and 24100.5 on account of children shall be reduced when children become ineligible. Such reduction shall take into account the increases made by application of the improvement factor, however, the member's disability allowance shall not be less than it would have been if there had never been any eligible children.

SEC. 8. Section 24204 of the Education Code is amended to read:

24204. The election of an option as provided in Section 24203 shall

preclude the payment of disability or family benefits to the member or any beneficiary. Members receiving a disability allowance under Sections 24100 or 24100.5 may not file an election of option as provided in Section 24203.

CHAPTER 54

An act to add Section 1666 to the Vehicle Code, relating to vehicles, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 28, 1984. Filed with Secretary of State March 28, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1666 is added to the Vehicle Code, to read:

1666. The department shall do all of the following:

(a) Include at least one question in each test of an applicant's knowledge and understanding of the provisions of this code, as administered pursuant to Section 12804 or 12814, to verify that the applicant has read and understands the table of blood alcohol concentration published in the Driver's Handbook made available pursuant to subdivision (b) of Section 1656. In order to minimize costs, the questions shall be initially included at the earliest opportunity when the test is otherwise revised or reprinted.

(b) Include with each driver's license or certificate of renewal and each vehicle registration renewal mailed by the department, information which shows with reasonable certainty the amount of alcohol consumption necessary for a person to reach a 0.10 percent blood alcohol concentration by weight.

SEC. 2. This act shall become operative on August 1, 1984, or 60 days after the effective date of this act, whichever is later.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide additional information to California drivers, concerning the amount of alcohol consumption required to reach the blood alcohol concentration level at which driving is prohibited, without delay, it is necessary that this act take effect immediately.

CHAPTER 55

An act to amend Sections 72247 and 81838 of the Education Code, relating to community college districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 28, 1984 Filed with Secretary of State March 28, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 72247 of the Education Code, as amended by Chapter 1 of the 1983–84 Second Extraordinary Session, is amended to read:

72247. (a) The governing board of a community college district may require of students in attendance in grades 13 and 14 and employees of the district, the payment of a fee, in an amount not to exceed twenty dollars ($20) per semester or forty dollars ($40) per regular school year to be fixed by the board, for parking services.

The fee shall only be required of students and employees using parking services.

(b) The governing board of a community college district may also require the payment of a fee, to be fixed by the governing board, for the use of parking services by persons other than students and employees.

(c) All parking fees collected shall be deposited in the designated fund of the district in accordance with the California Community Colleges Budget and Accounting Manual and shall be expended only for parking services or for purposes of reducing the costs to students and faculty of the college of using public transportation to and from the college.

Fees collected for use of parking services provided for by investment of student body funds under the authority of Section 76064 shall be deposited in a designated fund in accordance with the California Community Colleges Budget and Accounting Manual for repayment to the student organization.

"Parking services," as used in this section, means the purchase, construction, and operation and maintenance of parking facilities for vehicles and motor vehicles as defined by Sections 415 and 670 of the Vehicle Code, and the reduction of costs to students and faculty of using public transportation to and from the college.

In no event may the fee required pursuant to this section exceed the actual cost of providing parking services.

SEC. 2. Section 81838 of the Education Code is amended to read:

81838. In determining a community college district's matching share, the chancellor's office shall do the following:

(a) Determine the average statewide ending balance per weekly student contact hour according to the following procedure:

(1) For each district divide the total prior year's net ending

balance of all budget funds established and maintained, minus excluded funds as defined by subdivision (c), by that district's annual weekly student contact hours for the same fiscal year.

(2) Compute the mean average district ending balance per weekly student contact hour for the prior fiscal year by dividing the total of ending balances statewide by the total statewide weekly student contact hours for the same fiscal year.

(b) Determine the state-local matching shares for each community college district according to the following procedure:

(1) For each district compute a factor by dividing the amount calculated in paragraph (1) of subdivision (a) by the statewide average district ending balance per weekly student contact hour computed pursuant to paragraph (2) of subdivision (a).

(2) The district local matching share shall be equal to 50 percent of the project cost multiplied by the factor.

(c) As used in this chapter, "excluded funds" means any of the following:

(1) District moneys designated for specific projects which received state funds in a prior Budget Act and which are included in the district's five-year plan.

(2) Moneys designated for 100 percent locally funded projects which were approved by the chancellor's office prior to July 1 of the previous year without qualification as to the effect on district eligibility for future state funding.

(3) Restricted and committed revenues such as those moneys collected for community service programs, student health activities, food services, book stores, parking, district self-insurance, California State Teachers' Retirement System, Public Employees' Retirement System, and others as certified to by the district governing board and approved by the chancellor's office.

SEC. 3. Section 72247 of the Education Code, as amended by Section 1 of this act, shall become operative on the 91st day after the adjournment of the 1983–84 Second Extraordinary Session of the Legislature.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide adequate funds to community college districts in the 1983–84 fiscal year, and to facilitate the orderly administration of community colleges, it is necessary that this act take effect immediately.

CHAPTER 56

An act to add Section 23053.1 to the Business and Professions Code, relating to alcoholic beverage control, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 28, 1984. Filed with Secretary of State March 28, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 23053.1 is added to the Business and Professions Code, to read:

23053.1. The director may bring an action to enjoin a violation or the threatened violation of any provision of this division or any rule promulgated pursuant to the provisions of this division. The action may be brought in the county in which the violation occurred or is threatened to occur. Any proceeding brought hereunder shall conform to the requirements of Chapter 3 (commencing with Section 525) of Title 7 of Part 2 of the Code of Civil Procedure.

No action shall be brought against any licensee pursuant to this section until the department has adopted a decision after an administrative hearing revoking the license of the licensee.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting each necessity are:

In order to prevent the proliferation of current, ongoing violations of the Alcoholic Beverage Control Act and to ensure attainment of the legislative goal of strict enforcement of the liquor laws throughout the state, as stated to be the intent of the Legislature in Section 23049 of the Business and Professions Code, as soon as possible, it is necessary that this act go into immediate effect.

CHAPTER 57

An act to amend Section 830.3 of the Penal Code, relating to peace officers, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 28, 1984 Filed with Secretary of State March 28, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 830.3 of the Penal Code is amended to read:

830.3. The following persons are peace officers whose authority extends to any place in the state for the purpose of performing their

primary duty or when making an arrest pursuant to Section 836 of the Penal Code as to any public offense with respect to which there is immediate danger to person or property, or of the escape of the perpetrator of such offense, or pursuant to Section 8597 or Section 8598 of the Government Code. Such peace officers may carry firearms only if authorized and under such terms and conditions as are specified by their employing agencies:

(a) Persons employed by the Department of Alcoholic Beverage Control for the enforcement of the provisions of Division 9 (commencing with Section 23000) of the Business and Professions Code and designated by the Director of Alcoholic Beverage Control, provided that the primary duty of any such peace officer shall be the enforcement of the laws relating to alcoholic beverages, as that duty is set forth in Section 25755 of the Business and Professions Code.

(b) Persons employed by the Division of Investigation of the Department of Consumer Affairs, and investigators of the Board of Medical Quality Assurance and the Board of Dental Examiners, and designated by the Director of Consumer Affairs, provided that the primary duty of any such peace officer shall be the enforcement of the law as that duty is set forth in Section 160 of the Business and Professions Code.

(c) Voluntary fire wardens as are designated by the Director of Forestry pursuant to Section 4156 of the Public Resources Code, provided that the primary duty of any such peace officer shall be the enforcement of the law as that duty is set forth in Section 4156 of such code.

(d) Employees of the Department of Motor Vehicles designated in Section 1655 of the Vehicle Code, provided that the primary duty of any such peace officer shall be the enforcement of the law as that duty is set forth in Section 1655 of such code.

(e) Investigators of the California Horse Racing Board designated by the board, provided that the primary duty of any such peace officer shall be the enforcement of the provisions of Chapter 4 (commencing with Section 19400) of Division 8 of the Business and Professions Code and Chapter 10 (commencing with Section 330) of Title 9 of Part 1 of the Penal Code.

(f) The State Fire Marshal and assistant or deputy state fire marshals appointed pursuant to Section 13103 of the Health and Safety Code, provided that the primary duty of any such peace officer shall be the enforcement of the law as that duty is set forth in Section 13104 of such code.

(g) Inspectors of the Food and Drug Section as are designated by the chief pursuant to subdivision (a) of Section 216 of the Health and Safety Code, provided that the primary duty of any such peace officer shall be the enforcement of the law as that duty is set forth in Section 216 of such code.

(h) All investigators of the Division of Labor Standards Enforcement, as designated by the Labor Commissioner, provided that the primary duty of any such peace officer shall be enforcement

of the law as prescribed in Section 95 of the Labor Code.

(i) All investigators of the State Departments of Health Services, Social Services, Mental Health, Developmental Services, Alcohol and Drug Programs and the Office of Statewide Health Planning and Development, and the Public Employees' Retirement System, provided that the primary duty of any such peace officer shall be the enforcement of the law relating to the duties of his department, or office. Notwithstanding any other provision of law, investigators of the Public Employees' Retirement System shall not carry firearms.

(j) Marshals and police appointed by the Board of Directors of the California Exposition and State Fair, pursuant to Section 3332 of the Food and Agricultural Code, provided that the primary duty of the peace officer shall be the enforcement of the law as prescribed in that section.

(k) The Chief of the Bureau of Fraudulent Claims of the Department of Insurance and such investigators as designated by him, provided that the primary duty of such investigators shall be enforcement of the provisions of Section 556 of the Insurance Code.

(*l*) Employees of the Department of Housing and Community Development designated under Section 18023 of the Health and Safety Code, provided that the primary duty of any such peace officer shall be the enforcement of the law as that duty is set forth in Section 18023 of the Health and Safety Code.

(m) Investigators of the Office of the Controller, provided that the primary duty of any such investigator shall be the enforcement of the law relating to the duties of that office. Notwithstanding any other provision of law, the peace officers designated pursuant to this subdivision shall not carry firearms.

(n) Investigators of the Department of Corporations designated by the Commissioner of Corporations, provided that the primary duty of these investigators shall be enforcement of the provisions of law administered by the Department of Corporations. Notwithstanding any other provision of law, the peace officers designated pursuant to this subdivision shall not carry firearms.

(o) Persons employed by the Contractors' State License Board designated by the Director of Consumer Affairs pursuant to Section 7011.5 of the Business and Professions Code, provided that the primary duty of these persons shall be the enforcement of the law as that duty is set forth in Section 7011.5 of the Business and Professions Code and in Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code. The Director of Consumer Affairs may designate as peace officers not more than three persons who shall at the time of their designation be assigned to the special investigations unit of the board. Notwithstanding any other provision of law, the persons designated pursuant to this subdivision shall not carry firearms.

(p) The chief and coordinators of the Law Enforcement Division of the Office of Emergency Services.

SEC. 2. It is the intent of the Legislature that the changes

effected by this act which designate the chief and coordinators of the Law Enforcement Division of the Office of Emergency Services to be peace officers shall serve only to define peace officers, the extent of their jurisdiction, and the nature and scope of their authority, powers, and duties, and that there shall be no change in the status of these individuals for the purposes of retirement, workers' compensation, or similar injury or death benefits, or other employee benefits.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to facilitate the orderly administration of coordinators who are currently engaged in law enforcement functions with various police agencies throughout the state and who thus require peace officer status for their own protection and the protection of the public, it is necessary that this act take immediate effect.

CHAPTER 58

An act to amend Section 31494 of, and to add Sections 31494.1 and 31494.3 to, and to add and repeal Section 31494.2 of, the Government Code, relating to the County Employees Retirement Law of 1937, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 28, 1984. Filed with Secretary of State March 28, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 31494 of the Government Code is amended to read:

31494. (a) General members may elect to transfer to the retirement plan created by this article upon proper application executed by the member and filed with the board. Such transfer is voluntary and shall be irrevocable.

(b) The retirement benefits of the transferred members are governed and defined by this article.

(c) Transferring members relinquish and waive any and all previously available vested or accrued retirement, survivor, disability and death benefits. However, notwithstanding any other provision of this article, transferring members shall receive credit for public service performed prior to the transfer, including service with the employer, military service, and other public service to which the member would otherwise be eligible under this chapter, except that member contributions shall not be collected.

(d) This section shall be operative at such time or times as may be mutually agreed to in memoranda of understanding executed by the

employer and employee representatives if the board of supervisors adopts, by majority vote, a resolution declaring that the section shall be operative.

SEC. 2. Section 31494.1 is added to the Government Code, to read:

31494.1. (a) In accordance with the provisions of this section, general members, whose retirement benefits are governed by the noncontributory plan created by this article, may transfer to the contributory plan. Contributory plan shall mean that contributory plan otherwise available to new members of the retirement system on the election date. Transfer may be made by election upon written application executed by the member and filed with the board on or before the election date and shall be effective on the transfer date, subject to the terms and conditions hereinafter set forth in this section. The election date shall be that date as identified in the resolution adopted by the Board of Supervisors declaring this section to be operative. The transfer date shall be that date on which the member completes deposit of all contributions as required by Sections 31494.2 and 31494.3. The election is voluntary and may be revoked upon written notice received by the board prior to the transfer date.

(b) The retirement benefits of members electing to transfer and transferred members shall be governed and defined by this section. In the event of conflict, this section shall supersede and prevail over other provisions, or application of provisions, otherwise contained in this article.

(c) Transferred members relinquish, waive, and forfeit any and all vested or accrued benefits available under any other retirement plan provided to members of the retirement system, and shall be entitled only to the benefits available under the contributory plan.

(d) Transferred members shall receive retirement service credit for that period of service with the employer, for which the members were otherwise eligible to receive credit under the plan created by this article.

(e) Transferred members may receive retirement service credit for service other than that with the employer, for which the members were credited or were eligible to receive credit under the plan created by this article, by written application executed by the member and filed with the board on or before the election date.

(f) The employer, the members who have elected to transfer, and transferred members shall make contributions to the retirement fund in accordance with the rates, and in the same manner, as prescribed under the contributory plan. The monthly contributions shall commence for the month next following the transfer date or that date 120 days after the election date, whichever is earlier.

(g) For purposes of calculating member contributions required under Sections 31494.2 and 31494.3, the entry age of a transferred member shall be that entry age as reflected in the retirement records maintained on behalf of the board.

(h) Failure of members to deposit the contributions at the time and in the manner required by subdivision (a) of Section 31494.2 or subdivision (a) of Section 31494.3 shall result in the cancellation of their elections to transfer.

(i) Failure of members to deposit the contributions at the time and in the manner required by subdivision (b) of Section 31494.2, subdivision (b) of Section 31494.3, subdivision (c) of Section 31494.2, or subdivision (c) of Section 31494.3 shall result in the cancellation and forfeiture of their right to elect credit for other service under subdivision (e).

(j) Prior to the transfer date, the rights to retirement, disability, survivors, and death benefits of members who have made the election to transfer shall remain the same as defined and governed by this article. In the event such members die, terminate service, or make application for retirement prior to the transfer date, or fail to deposit all required contributions as required by Section 31494.2 or Section 31494.3, all member contributions and regular interest shall be refunded to the member or member's survivor.

(k) Notwithstanding any other provision contained in this section, or Section 31494.2 or Section 31494.3, in the event of the death of a member who has elected to transfer prior to the transfer date, the spouse of the member, or the minor children of the member if no spouse survives the member, may elect to pay the balance of contributions required by Section 31494.2 or Section 31494.3, and if the contributions are deposited in the retirement fund within 90 days after the death of the member, the spouse of the member, or if no spouse survives the member, the minor children of the member, shall be entitled to rights and benefits as if the deceased member had deposited all contributions required by Section 31494.2 or Section 31494.3.

(*l*) Prior to the transfer date, the rights to retirement, disability, survivors, and death benefits of members who have made the election to transfer shall remain the same as defined and governed by this article. In the event such members die, terminate service, or make application for retirement prior to the transfer date, all member contributions and regular interest shall be refunded to the member or the member's survivor.

(m) This section shall be operative at such time or times as may be mutually agreed to in memoranda of understanding executed by the employer and employee representatives if the board of supervisors adopts, by majority vote, a resolution declaring that the section shall be operative.

SEC. 3. Section 31494.2 is added to the Government Code, to read:

31494.2. (a) Members who have elected to transfer under Section 31494.1 shall be provided within 90 days of the election date the cost of contributions required for that period of all creditable service with the employer prior to the month for which monthly contributions are to commence, as prescribed in subdivision (f) of

Section 31494.1, and shall deposit in the retirement fund, the amount hereinafter provided in this subdivision, by lump sum, or regular monthly installments, or both, ending on or before 21 months after the election date, but in any event prior to the date of application for retirement, date of termination, or death. The amount shall equal the sum of the contributions a member would have made to the retirement fund for that length of time as that for which the member shall receive credit as service, computed in accordance with the rate of contribution applicable to the member under the contributory plan, based upon entry age, and in the same manner as prescribed under such plan as if the plan had been in effect during the entire period of all creditable service, together with regular interest thereon.

(b) Any member who applies for service credit under subdivision (e) of Section 31494.1, relating to federal and military service, shall be provided within 90 days of the election date the cost of contribution required for that service, and shall deposit in the retirement fund the amount hereinafter provided in this subdivision by lump sum, or regular monthly installments, or both, ending on or before 21 months after the election date, but in any event prior to the date of application for retirement, date of termination, or death. The amount shall equal the sum of twice the contributions the member would have made to the retirement fund for the length of time as that for which the member has elected to receive credit as service, computed by applying the rate of contribution applicable to the member under the contributory plan, based upon entry age, to the monthly compensation first earnable by the member as of the most recent date of entry into the retirement system, multiplied by the number of months for which the member has elected to receive credit, together with regular interest thereon.

(c) Any member who applies for service credit under subdivision (e) of Section 31494.1, relating to prior service as defined in the bylaws of the board, and public service other than military and federal service shall be provided within 90 days of the election date the costs of contribution required for that service, and shall deposit in the retirement fund the amount hereinafter provided in this subdivision, by lump sum or regular monthly installments, or both, ending on or before 21 months after the election date, or both, but in any event prior to the date of application for retirement, date of termination, or death. The amount shall equal the sum of the contributions the member would have made to the retirement fund for the length of time as that for which the member has elected to receive credit as service, calculated in the same manner as prescribed in the bylaws of the board relating to credit for prior service, except that the contribution shall be computed by applying the rate of contribution applicable to the member under the contributory plan, based upon entry age.

(d) This section shall be operative at such time or times as may be mutually agreed to in memoranda of understanding executed by the

employer and employee representatives if the board of supervisors adopts, by majority vote. a resolution declaring that the section shall be operative.

SEC. 4. Section 31494.2 shall be applicable to elections to transfer made in 1984 and is repealed on October 1, 1986.

SEC. 5. Section 31494.3 is added to the Government Code, to read:

31494.3. (a) Members who have elected to transfer under Section 31494.1 shall be provided within 90 days of the election date the cost of contributions required for that period of all creditable service with the employer prior to the month for which monthly contributions are to commence, as prescribed in subdivision (f) of Section 31494.1, and shall deposit in the retirement fund, the amount hereinafter provided in this subdivision, by lump sum, or regular monthly installments, or both, ending on or before 15 months after the election date, but in any event prior to the date of application for retirement, date of termination, or death. The amount shall equal the sum of the contributions a member would have made to the retirement fund for that length of time as that for which the member shall receive credit as service, computed in accordance with the rate of contribution applicable to the member under the contributory plan, based upon entry age, and in the same manner as prescribed under the plan as if the plan had been in effect during the entire period of all creditable service, together with regular interest thereon.

(b) Any member who applies for service credit under subdivision (e) of Section 31494.1 relating to federal and military service, shall be provided within 90 days of the election date the cost of contribution required for that service, and shall deposit in the retirement fund the amount hereinafter provided in this subdivision by lump sum, or regular monthly installments, or both, ending on or before 15 months after the election date, but in any event prior to the date of application for retirement, date of termination, or death. The amount shall equal the sum of twice the contributions the member would have made to the retirement fund for the length of time as that for which the member has elected to receive credit as service, computed by applying the rate of contribution applicable to the member under the contributory plan, based upon entry age, to the monthly compensation first earnable by the member as of the most recent date of entry into the retirement system, multiplied by the number of months for which the member has elected to receive credit, together with regular interest thereon.

(c) Any member who applies for service credit under subdivision (e) of Section 31494.1, relating to prior service as defined in the bylaws of the board and public service other than military and federal service, shall be provided within 90 days of the election date the cost of contribution required for that service, and shall deposit in the retirement fund the amount hereinafter provided in this subdivision, by lump sum or regular monthly installments, or both,

ending on or before 15 months after the election date, but in any event prior to the date of application for retirement, date of termination, or death. The amount shall equal that sum of contributions the member would have made to the retirement fund for the length of time as that for which the member has elected to receive credit as service, calculated in the same manner as prescribed in the bylaws of the board relating to credit for prior service, except that such contribution shall be computed by applying the rate of contribution applicable to the member under the contributory plan, based upon entry age.

(d) This section shall be operative at such time or times as may be mutually agreed to in memoranda of understanding executed by the employer and employee representatives if the board of supervisors adopts, by majority vote, a resolution declaring that the section shall be operative.

SEC. 6. Section 31494.3 shall be applicable to elections to transfer made on or after January 1, 1985.

SEC. 7. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to implement provisions contained in memoranda of understanding entered into by and between the County of Los Angeles and employee representatives, through the County Coalition of Unions, in November and December 1983, in which it was mutually agreed that employees be allowed the opportunity to transfer into or out of Plan E, at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 59

An act to amend Sections 1150, 1194.8 and 1210 of the Insurance Code, relating to insurance.

[Approved by Governor March 28, 1984 Filed with Secretary of State March 28, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1150 of the Insurance Code is amended to read:

1150. Every admitted incorporated insurer may purchase, hold, or convey real estate only for the following purposes and in the following manner:

(a) The building in which it has its principal office and the land upon which that building stands.

(b) Real estate requisite for its accommodation in the convenient transaction of its business.

(c) Real estate acquired by it, or by any person for it, to secure the payment of loans previously contracted or for moneys due.

(d) Real estate purchased at sales upon deeds of trust or upon judgments or decrees obtained for such loans or debts.

(e) Real estate conveyed to it in satisfaction of debts previously contracted in the course of its dealings.

(f) Real estate acquired by gift or devise.

(g) Real estate acquired in part payment of the consideration of the sale of real property owned by it, if each such transaction shall not effect an increase in its investment in such real property.

(h) Upon the written approval of the Insurance Commissioner, real estate requisite or desirable for the protection or enhancement of the value of other real or personal property owned by such insurers.

(i) Real estate and improvements thereon in which domestic insurers are permitted to invest pursuant to the provisions and subject to the conditions and limitations of Section 1194.8 or Section 1210.

SEC. 1.5. Section 1194.8 of the Insurance Code is amended to read:

1194.8. (a) Excess fund investments may be made by a domestic insurer in real estate and leases thereof and in making improvements thereon for business or residential purposes as an investment for the production of income. The phrase "business or residential purposes" shall not include real estate or leases primarily intended for use or valued as agricultural, horticultural, farm, ranch or mineral property. Any such investment may be made by admitted insurers having admitted assets aggregating in value not less than twenty-five million dollars ($25,000,000).

Domestic insurers, other than life, title, mortgage and mortgage guaranty insurers, having admitted assets aggregating in value less than twenty-five million dollars ($25,000,000) but not less than ten million dollars ($10,000,000) may also qualify to make such investments for a period of 12 months with the prior approval of the commissioner. Real estate and leases acquired and improvements made thereon under this section shall not exceed in the aggregate an amount equal to 10 percent of the insurer's admitted assets. Real estate and leases acquired under this section shall be in addition to that which is authorized to be acquired under the provisions of paragraphs (a) to (h), inclusive, of Section 1150. Except upon the prior approval in writing of the commissioner, an investment may not be made under the authority of this section if at the time of the making of such investment it would result in the insurer then owning real estate and leases thereof, other than of the kind and for the purposes described in paragraphs (a), (b) and (f) of Section 1150, in an amount exceeding 10 percent of the insurer's admitted assets. Any investment in a single parcel of real estate or in a single leasehold including improvements thereon made under the authority of this section shall not be made in an amount in excess of 1 percent of the

insurer's admitted assets or 10 percent of the aggregate of the insurer's capital paid-up and unassigned surplus, whichever amount is larger. A lease eligible for purchase hereunder shall be for a term which at the date of purchase shall not expire for at least 24 years. Percentage or dollar value of assets and capital paid-up and unassigned surplus as provided herein shall be determined by the insurer's last preceding annual statement of conditions and affairs made as of the December 31st last preceding and which has been filed with the commissioner pursuant to law.

(b) In computing the value of real estate held by a domestic insurer for the purpose of complying with the asset standards or percentage of asset standards, the insurer shall add the net equity of such real estate owned by the insured to the amount of encumbrances and liens against the property for which the insurer could be held liable for any deficiency in the event of foreclosure or other action to realize the value of such liens. "Net equity" as used in this section means book value less the value of liens and encumbrances.

SEC. 2. Section 1210 of the Insurance Code is amended to read:

1210. (a) Any domestic incorporated insurer, after investing an amount equal to its required minimum paid-in capital in securities specified in Article 3 (commencing with Section 1170), may make such investments as it may see fit in the purchase of, or loans upon, properties and securities other than or in addition to or in excess of those set forth in Articles 2 (commencing with Section 1150), 3 (commencing with Section 1170) and 4 (commencing with Section 1190) of this chapter. Investments under this section shall not exceed, in the aggregate, the lesser of any of the following:

(1) Five percent of the insurer's admitted assets.

(2) Fifty percent of the excess of admitted assets over the sum of capital paid-up, liabilities and the surplus required by subdivision (a) of Section 700.02. The percentage or dollar value of admitted assets and capital paid-up and liabilities shall be determined by the insurer's last preceding annual statement of conditions and affairs made as of the preceding December 31st and which has been filed with the commissioner pursuant to law. The investments shall be subject to the provisions of Sections 1153.5, 1154, 1200, 1201, and 1202 as if they were excess funds investments. This section shall apply to an insurer other than life only if the insurer has aggregate capital and surplus of at least ten million dollars ($10,000,000).

(b) An investment originally made by an insurer pursuant to this section which subsequently meets the requirements of an investment contained in Article 2 (commencing with Section 1150), 3 (commencing with Section 1170) or 4 (commencing with Section 1190) may, at the election of the insurer, be considered to be held pursuant to any provision contained in those articles.

CHAPTER 60

An act to add Sections 33211.5 and 33211.6 to the Public Resources Code, relating to the Santa Monica Mountains Conservancy, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 28, 1984. Filed with Secretary of State March 29, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 33211.5 is added to the Public Resources Code, to read:

33211.5. (a) The following conditions of use apply to property owned or subject to the interim management of the conservancy:

(1) Opening and closing hours shall be posted on any property upon which public use is permitted.

(2) Property may be closed to public use only when fire, mudslide, landslide, or flood dangers pose a substantial risk of injury or loss of life.

Any property closed shall be reopened as soon as the fire, mudslide, landslide, or flood dangers no longer pose a danger of injury or loss of life.

(3) Vehicles shall park only in designated areas and shall not be operated off of roads or other areas designated for vehicle use.

(b) Trails, campsites, and other public use areas on property owned or subject to the interim management of the conservancy shall be designated and posted with prohibited activities and use restrictions clearly indicated.

(c) Determining and posting conditions of use pursuant to subdivisions (a) and (b) shall not be considered the adoption of regulations within the meaning of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

SEC. 2. Section 33211.6 is added to the Public Resources Code, to read:

33211.6. (a) Dumping any refuse matter, except by permit signed by the executive director or the executive director's authorized representative, on property owned or managed by the conservancy, and posted against that dumping, shall be a misdemeanor punishable by a fine of not more than five hundred dollars ($500), or imprisonment in the county jail for not more than six months, or both that fine and imprisonment.

(b) Injuring, defacing, or destroying any property owned or managed by the conservancy or any of the natural features thereof, shall be a misdemeanor punishable by a fine of not more than five hundred dollars ($500), or imprisonment in the county jail for not more than six months, or both that fine and imprisonment.

(c) Violation of the posted conditions of use on any property

owned or managed by the conservancy is a misdemeanor punishable by imprisonment in the county jail not exceeding 90 days, or by a fine not exceeding five hundred dollars ($500), or by both that fine and imprisonment, except that at the time a particular action is commenced, the judge may, considering the recommendation of the prosecuting attorney, reduce the charged offense from a misdemeanor to an infraction. Any person convicted of the offense after such a reduction shall be punished by a fine of not less than five dollars ($5), nor more than five hundred dollars ($500).

SEC. 3. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates the crime or infraction.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for property of the Santa Monica Mountains Conservancy to be protected from vandalism and other inappropriate uses, it is necessary that this act take effect immediately.

CHAPTER 61

An act relating to education, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 29, 1984 Filed with Secretary of State March 29, 1984]

The people of the State of California do enact as follows:

SECTION 1. (a) The sum of one million eight hundred thousand dollars ($1,800,000) is hereby appropriated from the General Fund to Section A of the State School Fund for allocation by the Superintendent of Public Instruction as an emergency apportionment to the Pacific Grove Unified School District in accordance with Section 41320 of the Education Code.

(b) The Pacific Grove Unified School District shall repay the amount appropriated in subdivision (a) together with interest at a rate based on the rate of the Pooled Money Investment Account as of the date of disbursement of funds to the district subject to meeting the conditions set forth in Section 41320 of the Education Code in five installments to be paid in the 1984–85, 1985–86, 1986–87, 1987–88, and 1988–89 fiscal years. The district shall apply any proceeds received

from the federal government for the lease of the Light House school site to the reduction of the debt up to one million three hundred thousand dollars ($1,300,000) during the 1984–85 school year and reduce accordingly any of the amount of subsequent installment payments. The entire amount of the debt plus interest shall be repaid by June 30, 1989.

(c) The appropriation made pursuant to subdivision (a) shall be deemed an apportionment made pursuant to Section 43120 of the Education Code and the Pacific Grove Unified School District shall meet the requirements of Article 2 (commencing with Section 41320) of Chapter 3 of Part 24 of the Education Code, except that the Superintendent of Public Instruction shall make an apportionment of one million three hundred thousand dollars ($1,300,000) to the district before the requirements of subdivisions (a), (b), (c), and (d) of Section 41320 of the Education Code have been met. Upon completion of those requirements, the Superintendent of Public Instruction shall allocate the balance of the appropriation to the district.

(d) Due to unique circumstances concerning the Pacific Grove Unified School District the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Delay in federal lease funds resulted in an overestimation of receipts, and in order for the Pacific Grove Unified School District to continue to pay for its operational costs in the 1983–84 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 62

An act to amend Section 54957.6 of the Government Code, relating to local government.

[Approved by Governor March 29, 1984 Filed with Secretary of State March 29, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 54957.6 of the Government Code is amended to read:

54957.6. Notwithstanding any other provision of law, a legislative body of a local agency may hold closed sessions with the local agency's designated representatives regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of its represented and unrepresented employees. Closed sessions of a

legislative body of a local agency, as permitted in this section, shall be for the purpose of reviewing its position and instructing the local agency's designated representatives. Closed sessions, as permitted in this section, may take place prior to and during consultations and discussions with representatives of employee organizations and unrepresented employees.

For the purposes enumerated in this section, a legislative body of a local agency may also meet with a state conciliator who has intervened in the proceedings.

CHAPTER 63

An act to add and repeal Section 19829 of the Health and Safety Code, relating to building permits.

[Approved by Governor March 29, 1984. Filed with Secretary of State March 29, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 19829 is added to the Health and Safety Code, to read:

19829. (a) Notwithstanding the provisions of Section 35441 of the Government Code, if an application for a building permit is filed with a county prior to the vote on the incorporation of a new city, and a building permit is subsequently issued by the county prior to the effective date of the incorporation, and the property for which the building permit was issued is within the newly incorporated limits, the building permit shall remain valid for a period of 180 days from the date of issuance of the building permit. If a local ordinance enacted by a county prior to the date of the incorporation vote provides that building permits are valid for a shorter or longer period than 180 days from the date of issuance, or authorizes the extension of those building permits, that local ordinance shall apply to any building permit applied for prior to the date of the incorporation vote.

If the effective date of the incorporation is more than 90 days after the incorporation vote, the county may receive applications for and issue building permits for construction on property to be included within the corporate boundaries of the newly incorporated city limits. Those building permits shall remain valid for a period of 180 days from the date of issuance.

(b) A building permit issued by a county for construction on real property subsequently annexed to a city, shall remain valid for the life of the building permit as issued. This paragraph shall not apply to any city which has, by ordinance, expressly made the provisions of this paragraph inapplicable to territory annexed to that city, unless the city initiated the annexation.

(c) The city of which the affected territory became a part may extend the life of a building permit as provided by this section. The city of which the affected territory became a part shall be responsible for the continuing enforcement of the county ordinance.

(d) All rights accorded the permittee by a building permit affected by this section may be exercised by the permittee or the successor in interest thereto in accordance with the applicable rules, regulations, and ordinances of the issuing agency which were in effect at the time the building permit was issued.

(e) This section shall not apply to any incorporation or annexation which became effective prior to January 1, 1985.

(f) This section shall remain in effect only until January 1, 1991 and as of that date is repealed, unless a later enacted statute which is enacted before such date deletes or extends that date.

SEC. 2. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 64

An act to amend Section 24603 of the Vehicle Code, relating to vehicles.

[Approved by Governor March 29, 1984. Filed with Secretary of State March 29, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 24603 of the Vehicle Code is amended to read:

24603. Every motor vehicle which is not in combination with any other vehicle and every vehicle at the end of a combination of vehicles shall at all times be equipped with stoplamps mounted on the rear as follows:

(a) Every such vehicle shall be equipped with one or more stoplamps.

(b) Every such vehicle, other than a motorcycle, manufactured and first registered on or after January 1, 1958, shall be equipped with two stoplamps, except that trailers and semitrailers manufactured after July 23, 1973, which are less than 30 inches wide, may be equipped with one stoplamp which shall be mounted at or near the vertical centerline of the trailer. If such vehicle is equipped with two stoplamps, they shall be mounted as specified in subdivision (d).

(c) Stoplamps on vehicles manufactured on or after January 1, 1969, shall be mounted not lower than 15 inches nor higher than 72 inches, except that a tow car, in addition to being equipped with the required stoplamps, may also be equipped with two stoplamps which may be mounted not lower than 15 inches nor higher than the maximum allowable vehicle height and as far forward as the rearmost portion of the driver's seat in the rearmost position.

(d) Where two stoplamps are required, at least one shall be mounted at the left and one at the right side, respectively, at the same level.

(e) Stoplamps on vehicles manufactured on or after January 1, 1979, shall emit a red light. Stoplamps on vehicles manufactured before January 1, 1979, shall emit a red or yellow light. All stoplamps shall be plainly visible and understandable from a distance of 300 feet to the rear both during normal sunlight and at nighttime, except that stoplamps on a vehicle of a size required to be equipped with clearance lamps shall be visible from a distance of 500 feet during such times.

(f) Stoplamps shall be activated upon application of the service (foot) brake and the hand control head for air, vacuum, or electric brakes. In addition, all stoplamps may be activated by a mechanical device designed to function only upon sudden release of the accelerator while the vehicle is in motion. Stoplamps on vehicles equipped with a manual transmission may be manually activated by a mechanical device when the vehicle is downshifted if the device is automatically rendered inoperative while the vehicle is accelerating.

(g) Any vehicle may be equipped with supplemental stoplamps mounted to the rear of the rearmost portion of the driver's seat in its rearmost position in addition to the lamps required to be mounted on the rear of the vehicle. Supplemental stoplamps installed after January 1, 1979, shall be red in color and mounted not lower than 15 inches above the roadway. The supplemental stoplamp on that side of a vehicle toward which a turn will be made may flash as part of the supplemental turn signal lamp.

A supplemental stoplamp may be mounted inside the rear window of a vehicle, if it is mounted at the centerline of the vehicle and is constructed and mounted so as to prevent any light emitted from the device, either direct or reflected, from being visible to the driver.

CHAPTER 65

An act to amend Section 239 of the Code of Civil Procedure, relating to juries.

[Approved by Governor March 29, 1984 Filed with Secretary of State March 29, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 239 of the Code of Civil Procedure is amended to read:

239. (a) Except in a county having a population of more than 6,000,000, any juror summoned shall be entitled to volunteer to be available on one-hour notice by telephone, in which case he would not be obligated to actually appear in court until so notified.

In a county having a population of more than 6,000,000, any juror summoned shall be entitled to volunteer to be available on one-hour notice by telephone, provided that the jury commissioner determines that it will serve the operational needs of the court and that a resolution has been adopted by the board of supervisors authorizing implementation of this section.

(b) In all counties, no trial juror shall be required during any 12-month period to serve more than 10 court days, except as necessary to complete the hearing of an action.

CHAPTER 66

An act to amend Sections 10170.5, 10209, 10209.2, and 10215 of, to add Section 10153.3 to, and to repeal and add Sections 10153.2, 10153.4, 10153.5, and 10154 to, the Business and Professions Code, relating to real estate licensees.

[Approved by Governor March 29, 1984 Filed with Secretary of State March 29, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 10153.2 of the Business and Professions Code is repealed.

SEC. 2. Section 10153.2 is added to the Business and Professions Code, to read:

10153.2. (a) An applicant to take the examination for an original real estate broker license shall also submit evidence, satisfactory to the commissioner, of successful completion, at an accredited institution, of:

(1) A three-semester unit course, or the quarter equivalent thereof, in each of the following:

(A) Real estate practice.

(B) Legal aspects of real estate.

(C) Real estate appraisal.

(D) Real estate financing.

(E) Real estate economics or accounting.

(2) A three-semester unit course, or the quarter equivalent

thereof, in any of the following:

(A) Advanced legal aspects of real estate.

(B) Advanced real estate finance.

(C) Advanced real estate appraisal.

(D) Business law.

(E) Escrows.

(F) Real estate principles.

(G) Property management.

(H) Real estate office administration.

(3) On and after January 1, 1986, an applicant shall submit evidence of successful completion of each of the courses listed in paragraph (1) and any three of the courses listed in paragraph (2).

(b) The commissioner shall waive the requirements of this section for an applicant who is a member of the State Bar of California and shall waive the requirements for which an applicant has successfully completed an equivalent course of study as determined under Section 10153.5.

(c) The commissioner shall extend credit under this section for any course completed to satisfy requirements of Section 10153.3 or 10153.4.

SEC. 3. Section 10153.3 is added to the Business and Professions Code, to read:

10153.3. In order to take an examination for a real estate salesperson license after January 1, 1986, an applicant shall submit evidence, satisfactory to the commissioner, of successful completion, at an accredited institution, of a three-semester unit course, or the quarter equivalent thereof, in real estate principles.

The commissioner shall waive the requirements of this section for an applicant who is a member of the State Bar of California or who has completed an equivalent course of study, as determined under Section 10153.5.

SEC. 4. Section 10153.4 of the Business and Professions Code is repealed.

SEC. 5. Section 10153.4 is added to the Business and Professions Code, to read:

10153.4. (a) Every person who is required to comply with Section 10153.3 to obtain an original real estate salesperson license shall, prior to the issuance of the license, or within 18 months after issuance, submit evidence, satisfactory to the commissioner, of successful completion, at an accredited institution, of two of the courses listed in Section 10153.2, other than real estate principles, advanced legal aspects of real estate, advanced real estate finance, or advanced real estate appraisal.

(b) A salesperson who qualifies for a license pursuant to this section, shall not be required, for the first license renewal thereafter, to complete the continuing education pursuant to Article 2.5 (commencing with Section 10170), except for the course in ethics, professional conduct, and legal aspects of real estate pursuant to subdivision (a) of Section 10170.5.

(c) The salesperson license issued to an applicant who has satisfied only the requirements of Section 10153.3 at the time of issuance shall be automatically suspended effective 18 months after issuance if the licensee has failed to satisfy the provisions of subdivision (a). The suspension shall not be lifted until the suspended licensee has submitted the required evidence of course completion and the commissioner has given written notice to the licensee of the lifting of the suspension.

(d) The original license issued to a salesperson shall clearly set forth the conditions of the license and shall be accompanied by a notice of the provisions of this section and of any regulations adopted by the commissioner to implement this section.

(e) The commissioner shall waive the requirements of this section for any person who presents evidence of admission to the State Bar of California, and the commissioner shall waive the requirement for any course for which an applicant has completed an equivalent course of study as determined under Section 10153.5.

SEC. 6. Section 10153.5 of the Business and Professions Code is repealed.

SEC. 7. Section 10153.5 is added to the Business and Professions Code, to read:

10153.5 As used in Sections 10153.2, 10153.3, and 10153.4, "an equivalent course of study" includes courses at a private vocational school or a supervised course of study, either of which has been found by the commissioner, upon consideration of an application for approval, to be equivalent in quality to the real estate courses offered by the colleges and universities accredited by the Western Association of Schools and Colleges.

As used in Sections 10153.2, 10153.3, and 10153.4, "accredited institution" shall mean a college or university which either:

(a) Is accredited by the Western Association of Schools and Colleges, or by any other regional accrediting agency recognized by the United States Department of Education.

(b) In the judgment of the commissioner, has a real estate curriculum equivalent in quality to that of the institutions accredited pursuant to subdivision (a).

SEC. 8. Section 10154 of the Business and Professions Code is repealed.

SEC. 9. Section 10154 is added to the Business and Professions Code, to read:

10154. A person who has obtained a conditional license pursuant to Section 10153.4, but has not satisfied the requirements for an unqualified license under Section 10153.4, shall not be entitled to a late renewal of the license under Section 10201, and shall not be entitled to the issuance of another conditional license until four years after the date of the issuance of the preceding conditional license.

SEC. 9.5. Section 10170.5 of the Business and Professions Code is amended to read:

10170.5. Except as otherwise provided in Sections 10153.4 and

10170.8, no real estate license shall be renewed unless the commissioner finds that the applicant for license renewal has, during the four-year period preceding the renewal application, successfully completed the 45 clock hours of education provided for in Section 10170.4, including all of the following:

(a) A three-hour course in ethics, professional conduct, and legal aspects of real estate, which shall include, but not be limited to, relevant legislation, regulations, articles, reports, studies, court decisions, treatises, and information of current interest.

(b) Not less than 21 clock hours of courses or programs related to consumer protection, and designated by the commissioner as satisfying this purpose in his or her approval of the offering of these courses or programs, which shall include, but not be limited to, forms of real estate financing relevant to serving consumers in the marketplace; land use regulation and control; pertinent consumer disclosures; agency relationships; capital formation for real estate development; fair practices in real estate; appraisal and valuation techniques; landlord-tenant relationships; energy conservation; environmental regulation and consideration; taxation as it relates to consumer decisions in real estate transactions; probate and similar disposition of real property; governmental programs such as revenue bond activities, redevelopment, and related programs; business opportunities; and mineral, oil, and gas conveyancing.

(c) Other courses and programs which will enable a licensee to achieve a high level of competence in serving the objectives of consumers who may engage the services of licensees to secure the transfer, financing, or similar objectives with respect to real property, including organizational and management techniques which will significantly contribute to this goal.

Any denial of a license pursuant to this section shall be subject to the provisions of Section 10100.

SEC. 10. Section 10209 of the Business and Professions Code is amended to read:

10209. The commissioner shall, by regulation, establish fees for applications for approval of equivalent courses of study as defined in Section 10153.5 in an amount sufficient to cover the cost of administration. Such fees shall not exceed the amounts specified in the following:

(a) Application for approval of each supervised course of study, fifty dollars ($50).

(b) Application for approval of each course given by a private vocational school, including any branch school which gives the same course, one hundred fifty dollars ($150).

The commissioner shall notify every applicant of his decision on the application no later than 60 days after receipt by the commissioner of a completed application. The application shall be on a form to be supplied by the commissioner.

SEC. 10.5. Section 10209.2 of the Business and Professions Code is amended to read:

10209.2. The commissioner shall, by regulation, establish fees for applications for approval of educational courses, seminars, workshops, conference, or their equivalent, or for the evaluation of petition based on a claim of equivalency, as authorized by Section 10170.4 in an amount sufficient to cover the cost of processing such applications or petitions.

SEC. 11. Section 10215 of the Business and Professions Code is amended to read:

10215. The fee for a real estate salesperson license shall not exceed one hundred twenty dollars ($120), except that for an applicant qualifying pursuant to Section 10153.4 who has not satisfied all of the educational requirements prior to issuance of the license, the fee shall not exceed one hundred forty-five dollars ($145).

In the case of an original applicant, the fee is payable after the applicant is notified of passing the examination for license.

CHAPTER 67

An act to add Section 8414.5 to, and to add and repeal Section 8418 of, the Fish and Game Code, relating to mackerel, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1984 Filed with Secretary of State April 4, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 8414.5 is added to the Fish and Game Code, to read:

8414.5. During the portion of the season between February 2 and June 30, the commission may increase or decrease a figure which the director previously has determined to represent the season allowable catch for the taking of Pacific mackerel, if additional biological data becomes available which would indicate that the earlier determined season allowable catch should be revised.

This section shall become operative on July 1, 1984.

SEC. 2. Section 8418 is added to the Fish and Game Code, to read:

8418. In addition to the season allowable catch determined pursuant to Section 8412 or 8414 which is applicable until July 1, 1984, 2,500 tons of Pacific mackerel may be taken each month in the months of April, May, and June of 1984, pursuant to this section. The department shall keep records of the fish catch under this section, and determine and announce the closing date of each monthly season for these fish pursuant to Section 8413.

This section shall become inoperative on July 1, 1984, and, as of January 1, 1985, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1985, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to permit the additional taking of Pacific mackerel pursuant to this act in this fishing year, it is necessary that this act take effect immediately.

CHAPTER 68

An act to amend Section 18191.5 of the Financial Code, relating to industrial loan companies, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1984 Filed with Secretary of State April 5, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 18191.5 of the Financial Code is amended to read:

18191.5. Sections 18008, 18009, 18010, 18212, 18212.1, and 18214 do not apply to:

(a) Any bona fide loan of a principal amount of five thousand dollars ($5,000) or more, or to an industrial loan company in connection with any bona fide loan of a principal amount of five thousand dollars ($5,000) or more if the provisions of the section are not used for the purpose of evading this division.

(b) An amount due from a contingent guarantor on his or her obligations purchased under the provisions of this division.

(c) A loan to a primary borrower who has pledged accounts receivable or installment accounts to secure loans which taken in the aggregate amount to five thousand dollars ($5,000) or more.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to cure an inadvertent omission contained in Chapter 858 of the Statutes of 1983 and to avoid public confusion and uncertainty as soon as possible, it is necessary that this act go into immediate effect.

CHAPTER 69

An act to amend Sections 2815 and 42001 of, and to add Section 42001.1 to, the Vehicle Code, relating to vehicles, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1984. Filed with Secretary of State April 5, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 2815 of the Vehicle Code is amended to read:

2815. Any person who shall disregard any traffic signal or direction given by a nonstudent school crossing guard, appointed pursuant to Section 21100, or authorized by any city police department, any board of supervisors of a county, or the Department of the California Highway Patrol, when the guard is wearing the official insignia of such a school crossing guard, and when in the course of the guard's duties the guard is protecting any person in crossing a street or highway in the vicinity of a school or while returning thereafter to a place of safety, shall be guilty of an infraction and subject to the penalties provided in Section 42001.1.

SEC. 2. Section 42001 of the Vehicle Code is amended to read:

42001. (a) Except as provided in Section 42001.1, 42001.3, 42001.5, 42001.7, or 42001.9, or subdivision (b) or (c) of this section, or Article 2 (commencing with Section 42030), every person convicted of an infraction for a violation of this code or of any local ordinance adopted pursuant to this code shall be punished as follows:

(1) By a fine not exceeding one hundred dollars ($100).

(2) For a second conviction within a period of one year, a fine not exceeding two hundred dollars ($200).

(3) For a third or any subsequent conviction within a period of one year, a fine not exceeding two hundred fifty dollars ($250).

(b) Every person convicted of a misdemeanor violation of Section 2800, 2801, or 2803 insofar as they affect failure to stop and submit to inspection of equipment or for an unsafe condition endangering any person, or Section 2800.1, shall be punished as follows:

(1) By a fine not exceeding fifty dollars ($50) or imprisonment in the county jail not exceeding five days.

(2) For a second conviction within a period of one year, a fine not exceeding one hundred dollars ($100) or imprisonment in the county jail not exceeding 10 days, or both that fine and imprisonment.

(3) For a third or any subsequent conviction within a period of one year, a fine not exceeding five hundred dollars ($500) or imprisonment in the county jail not exceeding six months, or both that fine and imprisonment.

(c) A pedestrian convicted of an infraction for a violation of this code or of any local ordinance adopted pursuant to this code shall be

punished by a fine not exceeding fifty dollars ($50).

SEC. 3. Section 42001 of the Vehicle Code is amended to read:

42001. (a) Except as provided in this section and Section 42001.1, 42001.3, 42001.5, 42001.7, or 42001.9, or subdivision (b) or (c) of this section, or Article 2 (commencing with Section 42030), every person convicted of an infraction for a violation of this code or of any local ordinance adopted pursuant to this code shall be punished as follows:

(1) By a fine not exceeding one hundred dollars ($100).

(2) For a second conviction of an infraction occurring within one year from the date of a prior infraction for which there was a conviction, a fine not exceeding two hundred dollars ($200).

(3) For a third or any subsequent conviction of an infraction occurring within one year from the date of the second of two or more prior infractions for which there were convictions, a fine not exceeding two hundred fifty dollars ($250).

(b) Every person convicted of a misdemeanor violation of Section 2800, 2801, or 2803 insofar as they affect failure to stop and submit to inspection of equipment or for an unsafe condition endangering any person, and Section 2800.1, shall be punished as follows:

(1) By a fine not exceeding fifty dollars ($50) or imprisonment in the county jail not exceeding five days.

(2) For a second conviction within a period of one year, a fine not exceeding one hundred dollars ($100) or imprisonment in the county jail not exceeding 10 days, or both that fine and imprisonment.

(3) For a third or any subsequent conviction within a period of one year, a fine not exceeding five hundred dollars ($500) or imprisonment in the county jail not exceeding six months, or both that fine and imprisonment.

(c) A pedestrian convicted of an infraction for a violation of this code or of any local ordinance adopted pursuant to this code shall be punished by a fine not exceeding fifty dollars ($50).

SEC. 4. Section 42001.1 is added to the Vehicle Code, to read:

42001.1. (a) Every person convicted of an infraction for a violation of Section 2815 shall be punished as follows:

(1) For a first conviction, a fine of not less than fifty dollars ($50) nor more than one hundred dollars ($100).

(2) For a second conviction within a period of one year, a fine of not less than one hundred dollars ($100) nor more than two hundred dollars ($200).

(3) For a third or any subsequent conviction within a period of two years, a fine of not less than two hundred fifty dollars ($250) nor more than five hundred dollars ($500).

(b) In addition to the fine specified in subdivision (a), the court may order the department to suspend the driver's license for up to 30 days of any person convicted of a third or any subsequent conviction of Section 2815 within a period of two years, and the department shall suspend the license for the period of time so ordered.

SEC. 5. Section 3 of this bill incorporates amendments to Section

42001 of the Vehicle Code proposed by both this bill and Senate Bill 1488. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 1985, but this bill becomes operative first, (2) each bill amends Section 42001 of the Vehicle Code, and (3) this bill is enacted after Senate Bill 1488, in which case Section 42001 of the Vehicle Code, as amended by Section 2 of this bill, shall remain operative only until the operative date of Senate Bill 1488, at which time Section 3 of this bill shall become operative.

SEC. 7. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

This act provides for a vitally needed, proportionately balanced penalty system. In order to avoid delay in achieving this objective, it is necessary that this act take effect immediately.

CHAPTER 70

An act to amend Section 89500 of the Education Code, relating to the California State University.

[Approved by Governor April 4, 1984. Filed with Secretary of State April 5, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 89500 of the Education Code is amended to read:

89500. (a) Notwithstanding any other provision of law, the trustees shall provide by rule for the government of their appointees and employees, pursuant to the provisions of this chapter and other applicable provisions of law, including, but not limited to: appointment; classification; terms; duties; pay and overtime pay; uniform and equipment allowances; travel expenses and allowances; rates for housing and lodging, except that no charges shall be assessed against residences occupied by the chancellor or the presidents during the 1983–84 fiscal year; moving expenses; leave of absence; tenure; vacation; holidays; layoff; dismissal; demotion; suspension; sick leave; reinstatement; and employer's contribution to employees', annuitants', and survivors' health benefits plans.

The rules adopted by the trustees relating to tenure, layoff, dismissal, demotion, suspension, and reinstatement of academic and administrative employees shall be adopted on or before February 1, 1962, and become effective on July 1, 1962, with respect to employees who are academic teaching and administrative employees as defined in subdivision (1) (e) of Section 24301, as added by Chapter 1010 of the Statutes of 1972.

(b) If the provisions of this section are in conflict with the

provisions of a memorandum of understanding reached pursuant to Chapter 12 (commencing with Section 3560) of Division 4 of Title 1 of the Government Code, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

CHAPTER 71

An act to amend Section 12042 of the Food and Agricultural Code, relating to economic poisons, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1984 Filed with Secretary of State April 5, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 12042 of the Food and Agricultural Code is amended to read:

12042. There is in the department an Agricultural Pest Control Advisory Committee, appointed by the director, consisting of the following members:

(a) One member representing agricultural pest control advisers.

(b) One member representing agricultural pest control businesses.

(c) One member representing pest control maintenance gardeners.

(d) One member representing pest control aircraft pilots.

(e) One member representing pesticide dealers.

(f) One member representing commercial applicator certificate holders.

(g) One member representing registrants, as defined in Section 12755.

(h) One member representing the California Agricultural Commissioners Association.

(i) One member representing the University of California, Division of Agriculture and Natural Resources, who is nominated by the board of regents and who specializes in pest management.

(j) One member representing the Board of Trustees of the California State University system.

(k) One member representing the Board of Governors of the California Community College system.

(*l*) One member representing producers, as defined in Section 56110.

(m) One member representing the general public.

SEC. 2. This act is an urgency statute necessary for the

immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure orderly appointments to the Agricultural Pest Control Advisory Committee, it is necessary that this act take effect immediately.

CHAPTER 72

An act to amend Sections 19564 and 19613 of the Business and Professions Code, relating to horseracing.

[Approved by Governor April 5, 1984 Filed with Secretary of State April 5, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 19564 of the Business and Professions Code is amended to read:

19564. The board may adopt any rules and regulations of the Pacific Coast Quarter Horse Association and the Pacific Coast Quarter Horse Racing Association, not inconsistent with this chapter, for the regulation of quarter horse racing.

SEC. 2. Section 19613 of the Business and Professions Code is amended to read:

19613. (a) Except as provided in subdivisions (b), (c), (d), and (e), the portion deducted for purses pursuant to this chapter shall be paid to or for the benefit of the horsemen at the racing meeting.

(b) Any association other than a fair which conducts a thoroughbred racing meeting shall pay to the horsemen's organization contracting with the association with respect to the conduct of racing meetings for administrative expense and services rendered to horsemen an amount equivalent to 1.5 percent of the portion, and for a pension plan for backstretch personnel to be administered by the horsemen's organization, an amount equivalent to an additional 1 percent of the portion. The remainder of the portion shall be distributed as purses.

(c) Any other association may pay to the horsemen's organization contracting with the association with respect to the conduct of racing meetings for administrative expense and services rendered to horsemen an amount out of the portion as may be determined by the association by agreement or otherwise, but, in all events, shall include, relative to a thoroughbred horsemen's organization, 1 percent of the portion for a pension plan for backstretch personnel to be administered by the horsemen's organization. The remainder of the portion shall be distributed as purses.

(d) Notwithstanding subdivisions (b) and (c), any association conducting a fair racing meeting or conducting a mixed breed racing

meeting shall pay to the horsemen's organizations contracting with the association with respect to the conduct of races for their respective breeds of horses at the meetings for administrative expense and services rendered to their respective horsemen those amounts out of the portion as determined by the horsemen's organization for the respective breeds with the approval of the board. The amount to be distributed as purses or commissions for any race meet under this subdivision shall be based on respective parimutuel pools during the previous corresponding meeting, if any.

Pursuant to this subdivision, amounts equivalent to 3 percent of the portion for the horsemen's organization shall be distributed to any thoroughbred horsemen's organizations contracting with an association for a fair racing meeting or participating in mixed breed racing meetings as follows: 1 percent for administrative expenses and services rendered to their respective horsemen, 1 percent for welfare funds, and 1 percent for a pension program for backstretch personnel, to be administered by the thoroughbred horsemen's organizations.

(e) Any association other than a fair which conducts a quarter horse racing meeting, except a mixed breed meeting, shall pay to the horsemen's organization contracting with the association with respect to the conduct of racing meetings for administrative expense and services rendered to horsemen an amount equivalent to 1.5 percent of the portion. The remainder of the portion shall be distributed as purses.

CHAPTER 73

An act to amend and repeal Sections 3068.1, 3071, and 3072 of the Civil Code, and to amend and repeal Section 22670 of the Vehicle Code, relating to lien sales.

[Approved by Governor April 5, 1984. Filed with Secretary of State April 5, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 3068.1 of the Civil Code is amended to read:

3068.1. (a) Every person has a lien dependent upon possession for the compensation to which the person is legally entitled for towing or storage of any vehicle subject to registration which has been authorized to be removed by a public agency. The lien is deemed to arise on the date of possession of the vehicle.

(b) If the vehicle has been determined to have a value of over one hundred dollars ($100) pursuant to Section 22670 of the Vehicle Code, but not exceeding one thousand dollars ($1,000), the lien shall be satisfied pursuant to Section 3072. Lien-sale proceedings pursuant to the provisions of this chapter shall commence within 15 days of the

date the lien arises. No storage shall accrue beyond the 15-day period unless lien-sale proceedings have commenced.

(c) If the vehicle has been determined to have a value exceeding one thousand dollars ($1,000) pursuant to Section 22670 of the Vehicle Code, the lien shall be satisfied pursuant to Section 3071. The storage lien may be for a period not exceeding 60 days or, if an application for an authorization to conduct a lien-sale has been filed pursuant to Section 3071 within 30 days after the lien arises, a period not exceeding 120 days.

(d) This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1988, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1988, pursuant to Section 9611 of the Government Code, Section 3068.1 of the Civil Code, as added by Section 3 of Chapter 1111 of the Statutes of 1980, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 2. Section 3071 of the Civil Code is amended to read:

3071. (a) A lienholder shall apply to the department for the issuance of an authorization to conduct a lien sale pursuant to the provisions of this section for any vehicle with a value determined to be over one thousand dollars ($1,000). A filing fee shall be charged by the department and may be recovered by the lienholder if a lien sale is conducted or if the vehicle is redeemed. The application shall be executed under penalty of perjury and shall include all of the following information:

(1) A description of the vehicle, including make, year model, identification number, license number, and state of registration. For motorcycles, the engine number shall also be included.

(2) The names and addresses of the registered and legal owners of the vehicle, if ascertainable from the registration certificates within the vehicle, and the name and address of any person whom the lienholder knows or reasonably should know claims an interest in the vehicle.

(3) A statement of the amount of the lien and the facts which give rise to the lien.

(b) Upon receipt of an application made pursuant to subdivision (a), the department shall do all of the following:

(1) Notify the vehicle registry agency of a foreign state of the pending lien sale, if the vehicle bears indicia of registration in such state.

(2) By certified mail, send a notice, a copy of the application, and a return envelope preaddressed to the department to the registered and legal owners at their addresses of record with the department, and to any other person whose name and address is listed in the application.

(c) The notice required pursuant to subdivision (b) shall include all of the following statements and information:

(1) An application has been made with the department for

authorization to conduct a lien sale.

(2) The person has a right to a hearing in court.

(3) If such hearing in court is desired, a Declaration of Opposition form, signed under penalty of perjury, must be signed and returned to the department within 15 days of the date that the notice required pursuant to subdivision (b) was mailed.

(4) If the Declaration of Opposition form is signed and returned to the department, the lienholder will be allowed to sell the vehicle only if he or she obtains a court judgment or if he or she obtains a subsequent release from the declarant.

(5) If a court action is filed, the declarant will be notified of the lawsuit at the address shown on the Declaration of Opposition form and may appear to contest the claim.

(6) The person may be liable for court costs if a judgment is entered in favor of the lienholder.

(d) If the department receives the Declaration of Opposition form in the time provided, the department shall notify the lienholder within 16 days of the receipt of the form that a lien sale shall not be conducted unless the lienholder files an action in court within 20 days of such notice. A lien sale of the vehicle shall not be conducted unless judgment is subsequently entered in favor of the lienholder or the declarant subsequently releases his or her interest in the vehicle.

(e) Service on the declarant by certified mail with return receipt requested, signed by the declarant or an authorized agent of the declarant at the address shown on the Declaration of Opposition form, shall be effective. If the lienholder has served the declarant by certified mail at the address shown on the Declaration of Opposition form and the mail has been returned unclaimed, the Department of Motor Vehicles may authorize the sale.

(f) Upon receipt of authorization to conduct the lien sale from the department, the lienholder shall do all of the following:

(1) At least five days, but not more than 20 days, prior to the lien sale, not counting the day of the sale, give notice of the sale by advertising once in a newspaper of general circulation published in the county in which the vehicle is located. If there is no newspaper published in the county, notice shall be given by posting a Notice of Sale form in three of the most public places in the town in which the vehicle is located and at the place where the vehicle is to be sold for 10 consecutive days prior to and including the day of the sale.

(2) Send a Notice of Pending Lien Sale form 20 days prior to the sale but not counting the day of sale, by certified mail with return receipt requested, to each of the following:

(A) The registered and legal owners of the vehicle, if registered in this state.

(B) All persons known to have an interest in the vehicle.

(C) The Department of Motor Vehicles.

(g) All notices required by this section, including the notice forms prescribed by the department, shall specify the make, year model, vehicle identification number, license number, and state of

registration, if available, and the specific date, exact time, and place of sale. For motorcycles, the engine number shall also be included.

(h) No lien sale shall be undertaken pursuant to this section unless the vehicle has been available for inspection at a location easily accessible to the public for at least one hour before the sale and is at the place of sale at the time and date specified on the notice of sale. Sealed bids shall not be accepted. The lienholder shall conduct the sale in a commercially reasonable manner.

(i) Within 10 days after the sale of any vehicle pursuant to the provisions of this section, the legal or registered owner may redeem such vehicle upon the payment of the amount of the sale, all costs and expenses of the sale, together with interest on such sum at the rate of 12 percent per annum from the due date thereof or the date when the same were advanced until the repayment. If the vehicle is not redeemed, all lien sale documents required by the Department of Motor Vehicles shall then be completed and delivered to the buyer.

(j) This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1988, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1988, pursuant to Section 9611 of the Government Code, Section 3071 of the Civil Code, as added by Section 7 of Chapter 1111 of the Statutes of 1980, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 3. Section 3072 of the Civil Code is amended to read:

3072. (a) For vehicles with a value determined to be one thousand dollars ($1,000) or less, the lienholder shall apply to the department for the names and addresses of the registered and legal owners of record.

(b) The lienholder shall, immediately upon receipt of the names and addresses, send, by certified mail with return receipt requested or by United States Postal Service Certificate of Mailing, a completed Notice of Pending Lien Sale form, a blank Declaration of Opposition form, and a return envelope preaddressed to the Department of Motor Vehicles, to the registered owner and legal owner at their addresses of record with the Department of Motor Vehicles, and to any other person known to have an interest in the vehicle. The lienholder shall additionally send a copy of the completed Notice of Pending Lien Sale form to the Department of Motor Vehicles by certified mail on the same day that the other notices are mailed pursuant to this subdivision.

(c) All notices to persons having an interest in the vehicle shall be signed under penalty of perjury and shall include all of the following information and statements:

(1) A description of the vehicle, including make, year model, identification number, license number, and state of registration. For motorcycles, the engine number shall also be included.

(2) The specific date, exact time, and place of sale, which shall be set not less than 31 days, but not more than 35 days, from the date

of mailing.

(3) The names and addresses of the registered and legal owners of the vehicle and any other person known to have an interest in the vehicle.

(4) All of the following statements:

(A) The amount of the lien and the facts concerning the claim which gives rise to the lien.

(B) The person has a right to a hearing in court.

(C) If a court hearing is desired, a Declaration of Opposition form, signed under penalty of perjury, must be signed and returned to the Department of Motor Vehicles within 15 days of the date the Notice of Pending Lien Sale form was mailed.

(D) If the Declaration of Opposition form is signed and returned, the lienholder will be allowed to sell the vehicle only if he or she obtains a court judgment or if he or she obtains a subsequent release from the declarant.

(E) If a court action is filed, the declarant will be notified of the lawsuit at the address shown on the Declaration of Opposition form and may appear to contest the claim.

(F) The person may be liable for court costs if a judgment is entered in favor of the lienholder.

(d) If the department receives the completed Declaration of Opposition form within the time provided, the department shall notify the lienholder within 16 days that a lien sale shall not be conducted unless the lienholder files an action in court within 20 days of such notice and judgment is subsequently entered in favor of the lienholder or the declarant subsequently releases his interest in the vehicle.

(e) Service on the declarant by certified mail with return receipt requested, signed by the declarant or an authorized agent of the declarant at the address shown on the Declaration of Opposition form, shall be effective. If the lienholder has served the declarant by certified mail at the address shown on the Declaration of Opposition form and the mail has been returned unclaimed, the lienholder may proceed with the sale.

(f) At least 10 consecutive days prior to and including the day of the sale, the lienholder shall post a Notice of Pending Lien Sale form in a conspicuous place on the premises of the business office of the lienholder. The Notice of Pending Lien Sale form shall state the specific date and exact time of the sale and description of the vehicle, including the make, year model, identification number, license number, and state of registration. For motorcycles, the engine number shall also be included. The notice of sale shall remain posted until the sale is completed.

(g) No lien sale shall be undertaken pursuant to this section unless the vehicle has been available for inspection at a location easily accessible to the public at least one hour before the sale and is at the place of sale at the time and date specified on the notice of sale. Sealed bids shall not be accepted. The lienholder shall conduct the

sale in a commercially reasonable manner. All lien sale documents required by the Department of Motor Vehicles shall be completed and delivered to the buyer immediately following the sale.

(h) This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1988, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1988, pursuant to Section 9611 of the Government Code, Section 3072 of the Civil Code, as added by Section 10 of Chapter 1111 of the Statutes of 1980, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 4. Section 22670 of the Vehicle Code is amended to read:

22670. For lien sale purposes, the public agency causing the removal of the vehicle shall determine if the estimated value of the vehicle that has been ordered removed, towed, or stored is one hundred dollars ($100) or less, over one hundred dollars ($100) but one thousand dollars ($1,000) or less, or over one thousand dollars ($1,000).

This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1988, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1988, pursuant to Section 9611 of the Government Code, Section 22670 of the Vehicle Code, as added by Section 18 of Chapter 1111 of the Statutes of 1980, shall have the same force and effect as if this temporary provision had not been enacted.

CHAPTER 74

An act to amend Section 26708 of, and to add Section 26708.2 to, the Vehicle Code, relating to vehicles.

[Approved by Governor April 5, 1984. Filed with Secretary of State April 5, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 26708 of the Vehicle Code is amended to read:

26708. (a) (1) No person shall drive any motor vehicle with any object or material placed, displayed, installed, affixed, or applied upon the windshield or side or rear windows.

(2) No person shall drive any motor vehicle with any object or material placed, displayed, installed, affixed, or applied in or upon the vehicle which obstructs or reduces the driver's clear view through the windshield or side windows.

(3) This subdivision applies to a person driving a motor vehicle with the driver's clear vision through the windshield, or side or rear

windows, obstructed by snow or ice.

(b) This section does not apply to:

(1) Rearview mirrors.

(2) Adjustable nontransparent sunvisors which are mounted forward of the side windows and are not attached to the glass.

(3) Signs, stickers, or other materials which are displayed in a 7-inch square in the lower corner of the windshield farthest removed from the driver, signs, stickers, or other materials which are displayed in a 7-inch square in the lower corner of the rear window farthest removed from the driver, or signs, stickers, or other materials which are displayed in a 5-inch square in the lower corner of the windshield nearest the driver.

(4) Side windows which are to the rear of the driver.

(5) Direction, destination, or termini signs upon a passenger common carrier motor vehicle, providing such signs do not interfere with the driver's clear view of approaching traffic.

(6) Rear window wiper motor.

(7) Rear trunk lid handle or hinges.

(8) The rear window or windows, when the motor vehicle is equipped with outside mirrors on both the left- and right-hand sides of the vehicle that are so located as to reflect to the driver a view of the highway through each mirror for a distance of at least 200 feet to the rear of the vehicle.

(9) A clear, transparent lens affixed to the side window opposite the driver on a vehicle greater than 80 inches in width and which occupies an area not exceeding 50 square inches of the lowest corner toward the rear of that window and which provides the driver with a wide-angle view through the lens.

(10) Sun screening devices meeting the requirements of Section 26708.2 installed on the side windows on either side of the vehicle's front seat, if the driver or a passenger in the front seat has in possession a letter or other document signed by a licensed physician and surgeon certifying that the person must be shaded from the sun due to a medical condition. The devices authorized by this paragraph shall not be used during darkness.

(c) Notwithstanding subdivision (a), transparent material may be installed, affixed, or applied to the topmost portion of the windshield if:

(1) The bottom edge of the material is at least 29 inches above the undepressed driver's seat when measured from a point 5 inches in front of the bottom of the backrest with the driver's seat in its rearmost and lowermost position with the vehicle on a level surface.

(2) The material is not red or amber in color.

(3) There is no opaque lettering on the material and any other lettering does not affect primary colors or distort vision through the windshield.

(4) The material does not reflect sunlight or headlight glare into the eyes of occupants of oncoming or following vehicles to any greater extent than the windshield without the material.

SEC. 2. Section 26708.2 is added to the Vehicle Code, to read:

26708.2. Sun screening devices permitted by paragraph (10) of subdivision (b) of Section 26708 shall meet the following requirements:

(a) The devices shall be held in place by means allowing ready removal from the window area, such as a frame, a rigid material with temporary fasteners, or a flexible roller shade.

(b) Devices utilizing transparent material shall be green, gray, or a neutral smoke in color and shall have a luminous transmittance of not less than 35 percent.

(c) Devices utilizing nontransparent louvers or other alternating patterns of opaque and open sections shall have an essentially uniform pattern over the entire surface, except for framing and supports. At least 35 percent of the device area shall be open and no individual louver or opaque section shall have a projected vertical dimension exceeding $3/16$ inch.

(d) The devices shall not have a reflective quality exceeding 35 percent on either the inner or outer surface.

CHAPTER 75

An act to add and repeal Section 11406.5 of the Welfare and Institutions Code, relating to public social services, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 5, 1984 Filed with Secretary of State April 5, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 11406.5 is added to the Welfare and Institutions Code, to read:

11406.5. (a) To the extent federal funds are available, the department shall operate an Emergency Assistance for Needy Families with Children Program, under Section 406(e)(1) of the federal Social Security Act, in order to prevent the need for out-of-home placement by providing services as specified in Chapter 5 (commencing with Section 16500) of Part 4, and to provide short-term emergency out-of-home care through the foster care programs, as specified in this article.

(b) This section shall become inoperative on July 1, 1988, and, as of January 1, 1989, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1989, deletes or extends the dates on which it becomes inoperative and is repealed.

(c) This section shall take effect retroactively commencing July 1, 1983.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within

the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure the continuance of an Emergency Assistance for Needy Families with Children Program, it is necessary that this act go into immediate effect.

CHAPTER 76

An act to amend Section 4945 of the Business and Professions Code, relating to acupuncture.

[Approved by Governor April 5, 1984 Filed with Secretary of State April 5, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 4945 of the Business and Professions Code is amended to read:

4945. (a) The committee shall establish standards for continuing education for acupuncturists.

(b) The committee shall require each acupuncturist to complete 30 hours of continuing education every two years as a condition for renewal of his or her certificate. A provider of continuing education shall apply to the committee for approval of continuing education courses on a form developed by the committee, shall pay a fee covering the cost of approval and for the monitoring of the provider by the committee and shall set forth the following information on the application:

(1) Course content.

(2) Test criteria.

(3) Hours of continuing education credit requested for the course.

(4) Experience and training of instructors.

(5) Other information as required by the committee.

(6) That interpreters or bilingual instruction will be made available, when necessary.

(c) Licensees residing out of state or out of the country shall comply with the continuing education requirements.

(d) Providers of continuing education shall be monitored by the committee as determined by the committee.

SEC. 3. This act shall become operative on January 1, 1986.

CHAPTER 77

An act to repeal and add Sections 9592 and 9593 of the Food and Agricultural Code, relating to agricultural pests and disease eradication, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 9, 1984. Filed with Secretary of State April 9, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 9592 of the Food and Agricultural Code is repealed.

SEC. 2. Section 9592 is added to the Food and Agricultural Code, to read:

9592. The state may contribute toward the payment for the animal or property destroyed if either of the following occurs:

(a) The United States agrees to share equally in the payment.

(b) The director finds that the failure to dispose of the animal would be or would have been detrimental to the welfare of that animal industry.

SEC. 3. Section 9593 of the Food and Agricultural Code is repealed.

SEC. 4. Section 9593 is added to the Food and Agricultural Code, to read:

9593. (a) The value of the animal or property prior to its destruction for which contribution is made pursuant to subdivision (a) of Section 9592 shall be determined by two appraisers, one appointed by the director and one appointed by the administrator of the Animal and Plant Health Inspection Service of the United States Department of Agriculture.

(b) The value of the animal or property prior to its destruction for which contribution is made pursuant to subdivision (b) of Section 9592 shall be expeditiously determined by the director who shall make the appraisal based on information received from the department and the affected industry.

SEC. 5. The Department of Food and Agriculture shall take whatever actions are necessary in order to accomplish all of the following:

(a) Detect the current range of the apple maggot in this state.

(b) Reduce the likelihood of further spread of the pest southward through the movement of apples.

(c) Create a buffer zone in which small infestations of the pest are detected and eradicated.

SEC. 6. The Department of Food and Agriculture shall prepare a report on the status of its efforts to carry out the requirements of Section 5 of this act. The report shall include a determination on whether the apple maggot in this state is an eradicable or a

controllable pest. The report shall be submitted to the Legislature on or before January 1, 1985. No funds, except for the moneys appropriated in Section 7 of this act, shall be expended for this project until the report has been received and evaluated by the administration and the Legislature.

SEC. 7. The sum of two million seven hundred three thousand nine hundred sixty-eight dollars ($2,703,968) is hereby appropriated from the General Fund to the Department of Food and Agriculture for allocation in accordance with the following schedule:

Schedule:

(a) For the purpose of carrying out its duties pursuant to Sections 5 and 6 of this act during the 1983–84 fiscal year	$ 645,305
(b) For the purpose of carrying out its duties pursuant to Sections 5 and 6 of this act during the 1984–85 fiscal year	1,058,663
(c) For the purpose of making contributions pursuant to Section 9592 of the Food and Agricultural Code. These funds may be expended during the 1983–84 fiscal year and carried over and expended during the 1984–85 fiscal year	1,000,000

SEC. 8. If, in the report to the Legislature as required by Section 6 of this act, the Department of Food and Agriculture determines that the apple maggot is not eradicable in this state, funds allocated pursuant to subdivision (b) of Section 7 of this act shall not continue to be expended for any program to control the apple maggot, unless industry funding is provided in an amount sufficient to reimburse the Director of Food and Agriculture to equal 65 percent of the actual cost of carrying out an apple maggot control program.

SEC. 9. This act is an urgency statute necessary for the preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The apple maggot is a serious pest which threatens the apple industry. Additionally, the present outbreak of avian influenza poses an immediate threat to the poultry industry of this state. In order to implement effective eradication programs and to prevent economic loss to these industries and to the general economy of the State of California, it is necessary that this act take effect immediately.

CHAPTER 78

An act to amend Section 15026 of the Health and Safety Code, relating to health, and declaring the urgency thereof, to take effect immediately.

[Became law without Governor's signature. Filed with Secretary of State April 9, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 15026 of the Health and Safety Code is amended to read:

15026. (a) "Hospital building" includes any building not specified in subdivision (b) which is used, or designed to be used, for a health facility of a type required to be licensed pursuant to Chapter 2 (commencing with Section 1250) of Division 2.

(b) "Hospital building" shall not include any of the following:

(1) Any building in which only outpatient clinic services are provided and which is separated from a building in which hospital services are provided.

(2) Any building used, or designed to be used, for a skilled nursing facility or intermediate care facility if such building is of single-story, wood-frame construction.

(3) Any building of single-story, wood-frame construction in which only skilled nursing or intermediate care services are provided if such building is separated from a building housing other patients of the health facility receiving higher levels of care.

(4) Any freestanding structures of a chemical dependency recovery hospital exempted under the provisions of subdivision (c) of Section 1275.2.

(5) Any building licensed to be used as an intermediate care facility/developmentally disabled habilitative with six beds or less and any intermediate care facility/developmentally disabled habilitative of 7 to 15 beds which is a single-story, wood-frame building.

(6) Any building which has been used as a community care facility licensed pursuant to Chapter 3 (commencing with Section 1500) of Division 2 and which was originally licensed to provide that level of care prior to March 7, 1973, if (i) the building complied with applicable building and safety standards at the time of that licensure, (ii) the Director of Health Services, upon application, determines that in order to continue to properly serve the facility's existing client population, relicensure as an intermediate care facility/developmentally disabled will be required, and (iii) a notice of intent to obtain a certificate of need was filed with the area health planning agency and the Office of Statewide Health Planning and Development on or before March 1, 1983. The exemption provided in this paragraph extends only to use of the building as an intermediate care facility/developmentally disabled.

SEC. 2. The Legislature finds and declares that the amendments to Section 15026 of the Health and Safety Code made by Section 1 of this act are necessary to permit certain community care facilities, which were licensed prior to the effective date of seismic design requirements for health facilities, to obtain licensure as intermediate

care facilities/developmentally disabled in order to continue to properly serve their aging client populations. Reconstructing the physical plant of these facilities would be too costly to be economically feasible and would also be disruptive to residents of the facilities. Without the changes proposed in Section 15026, clients receiving satisfactory care for many years will be forced to relocate to another facility, with attendant disruption, or receive care at less than an optimum level. It is, therefore, the intent of the Legislature to permit these facilities to continue to provide adequate care for their client populations by permitting these facilities to obtain relicensure as intermediate care facilities/developmentally disabled without being required to comply with seismic design requirements for health facilities.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

As indicated in Section 2 of this act, it is necessary to amend the law to permit certain intermediate care facilities/developmentally disabled to continue functioning. Assembly Bill No. 334 of the 1983 portion of the 1983–84 Regular Session proposed to make this change, and it was enacted as Chapter 206 of the Statutes of 1983. However, it was chaptered out by the later enactment of Senate Bill No. 1217 as Chapter 1002 of the Statutes of 1983. In order for this act to rectify this situation at the earliest possible time, it is necessary for this act to take effect immediately.

CHAPTER 79

An act to amend Sections 8370 and 44252.7 of, and to repeal and add Section 8363 to, the Education Code, relating to child care, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 10, 1984. Filed with Secretary of State April 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 8363 of the Education Code is repealed.

SEC. 2. Section 8363 is added to the Education Code, to read:

8363. (a) The Commission on Teacher Credentialing shall by rule or regulation establish the requirements (1) for the issuance and the renewal of a children's center instruction permit and a children's center supervision permit, and (2) for the periods of duration of those permits.

(b) A children's center instruction permit, which is to be issued to a person who is to be employed in a position involving the instruction of children in a child development program, shall consist

of three types: regular, emergency, and limited.

A children's center instruction limited permit shall include, as one of its requirements, the completion of an on-site assessment of teaching competency approved by the commission.

(c) A children's center supervision permit, which is to be issued to a person who is to be employed in a position involving the supervision of a child development program, shall consist of two types: regular and life.

SEC. 3. Section 8370 of the Education Code is amended to read:

8370. The Commission on Teacher Credentialing shall establish standards for the issuance of the permits herein provided for. The standards may be changed from time to time, but changes therein shall not affect then valid permits issued to persons.

SEC. 4. Section 44252.7 of the Education Code is amended to read:

44252.7. (a) Commencing on September 1, 1984, applicants for an initial regular children's center instructional permit, and applicants for the renewal of an emergency children's center permit or a limited service permit shall demonstrate proficiency in basic reading, writing, and mathematics skills by doing one of the following:

(1) Passing a proficiency test developed by a school district pursuant to either Section 45361.5 or 51216.

(2) Having met the requirements for an associate degree or baccalaureate degree.

(3) Passing the California Basic Education Skills Test.

(4) Passing a field-based assessment approved by the Commission on Teacher Credentialing.

(b) If a child care and development program teacher employed prior to September 1, 1984, in such a program receiving public funds does not demonstrate proficiency in basic skills pursuant to this section, he or she shall be given two years to master these basic skills without jeopardizing the renewal of his or her permit, and shall be given additional opportunities to be reassessed.

(c) Persons seeking compensation as a child care and development program teacher in such a program who have limited English-speaking ability may be granted an additional exemption to this requirement by the employing agency, for a period of up to one year, if the agency deems that the exemption is in the best interest of the children enrolled in the program. No person shall be exempted from these requirements for more than a total of three years.

(d) School districts receiving public funds to operate a child care and development program under direct contract with the State Department of Education and subject to regulations set forth in Title 5 of the California Administrative Code shall make available to persons seeking compensation for work as teachers in the program the test developed or administered pursuant to Section 45361.5 or 51216.

A school district may charge a fee to persons taking the test

pursuant to the requirements of this section to fund the actual costs incurred by the district in giving the test.

(e) The State Department of Education shall make available an appropriate test meeting the requirements of this section to a person seeking compensation for work as a child care and development program teacher in such a center which is not administered by a school district. School districts shall assist the State Department of Education in fulfilling this requirement by making available to the department, upon request, the test developed or administered pursuant to Section 45361.5.

(f) The State Department of Education may charge a fee to persons taking the test pursuant to the requirements of this section to fund the actual costs incurred by the department in giving the test.

SEC. 5. (a) The Superintendent of Public Instruction for the 1981–82, 1982–83, and 1983–84 fiscal years only, may resolve audit exceptions in favor of seven child care contractors located in the San Francisco Bay area where the audit exceptions were caused by the imposition of the per hour reimbursement rate for these fiscal years, except where the superintendent determines that there is evidence of fraud.

(b) Commencing with the 1984–85 fiscal year, the superintendent shall award annual contracts for the programs described in subdivision (a) without requiring the imposition of a per hour reimbursement rate upon receiving assurances by the child care contractors that service levels shall be maintained. Reductions in the allowances for these programs for the 1983–84 fiscal year shall not be required if it is determined that there has been no decline in program service levels.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for the benefits provided by this act to be available as soon as possible, this act must take effect immediately.

CHAPTER 80

An act to amend Sections 35021, 35023, 35252, 35283, 35302, 54793, 54794, 54796, 56021, 56023, 56214, and 56312 of the Government Code, and to repeal and add Section 13982 of, and to add Section 13982.5 to, the Health and Safety Code, relating to local agencies.

[Approved by Governor April 10, 1984 Filed with Secretary of State April 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 35021 of the Government Code is amended to read:

35021. "Affected city" means each city:

(a) Which contains, or whose sphere of influence contains, territory for which a change of organization is proposed or ordered either singularly or as part of a municipal reorganization.

(b) Which would contain such territory as a result of proceedings for a change of organization or municipal reorganization taken pursuant to this part.

SEC. 2. Section 35023 of the Government Code is amended to read:

35023. "Affected district" means a special district, within the meaning of Section 56039, which contains, or whose sphere of influence contains, any territory for which an incorporation, municipal reorganization, or a change of organization is proposed or ordered.

SEC. 3. Section 35252 of the Government Code is amended to read:

35252. The clerk shall also give mailed notice of the hearing as provided in Section 35055 to each of the following:

(a) Any person who has filed his or her name and address with the clerk and has requested mailed notice.

(b) The chief petitioners, if any, as indicated in the petition initiating preliminary proceedings pursuant to this part.

(c) Each affected city and district.

Mailed notice given pursuant to this section shall contain all the information specified in Section 35250.

SEC. 4. Section 35283 of the Government Code is amended to read:

35283. The clerk shall also give mailed notice of the election as provided in Section 35055 to each of the following:

(a) Any person who has filed his or her name and address with the clerk and has requested mailed notice.

(b) The chief petitioners, if any, as indicated in the petition initiating preliminary proceedings pursuant to this part.

(c) Each affected city, county, and district.

Mailed notice given pursuant to this section shall contain all the information specified in Section 35280.

SEC. 5. Section 35302 of the Government Code is amended to read:

35302. The clerk shall also give mailed notice of the hearing as provided in Section 35055 to all of the following:

(a) Any person who has filed his or her name and address with the clerk and has requested mailed notice.

(b) The chief petitioners, if any, as indicated in the petition initiating preliminary proceedings pursuant to this part.

(c) Each affected city and district.

(d) If uninhabited, to each owner of land within the affected territory.

(e) The executive officer of the commission.

Mailed notice given pursuant to this section shall contain all the information specified in Section 35300.

SEC. 6. Section 54793 of the Government Code is amended to read:

54793. When an application is filed in the manner prescribed in Section 54791, the executive officer shall set a date, time, and place for a hearing by the commission on the application. The date of the hearing shall not be more than 90 days following the date of the filing. At least 15 days prior to any hearing, the executive officer shall give mailed notice of the hearing to each affected local agency, to any person who has filed a written request for the notice with the executive officer, and to any officers or persons designated in the application for the purpose of receiving mailed notice. In addition, at least 15 days prior to the hearing upon a proposal for the formation of a district, notice of hearing shall be published by the executive officer, in accordance with Section 6061, in a newspaper of general circulation which is circulated within the affected territory.

SEC. 7. Section 54794 of the Government Code is amended to read:

54794. The executive officer shall review each application which is filed with him or her and shall prepare a report, including his or her recommendations. The report shall be completed not less than five days prior to the date specified in the notice of hearing. Upon completion, the executive officer shall furnish copies of the report to the officers or persons designated in the application, to each affected local agency and where a district is, or will be, located in more than one county, to the executive officer of each county.

SEC. 8. Section 54796 of the Government Code is amended to read:

54796. Factors to be considered in the review of a proposal shall include but not be limited to:

(a) Population, population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.

(b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for such services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. As used in this subdivision, "services" is to be construed as referring to governmental services whether or not the services are such as would be provided by local agencies subject to this chapter, and as including the public facilities necessary to provision of services.

(c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests and on the local governmental structure of the county.

(d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development and the policies and priorities set forth in Section 54790.2.

(e) The effect of the proposal on maintaining the physical and economic integrity of lands in an agricultural preserve in open-space uses.

(f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

(g) Conformity with appropriate city or county general and specific plans.

(h) The "sphere of influence" of any local agency which may be applicable to the proposal being reviewed.

(i) The comments of any affected local agency.

SEC. 9. Section 56021 of the Government Code is amended to read:

56021. "Affected city" means each city (i) which contains, or whose sphere of influence contains, territory for which a change of organization is proposed or ordered, (ii) which would contain that territory as a result of proceedings taken pursuant to this division or to the Municipal Organization Act of 1977 (Part 2 (commencing with Section 35000) of Division 2 of Title 3) or (iii) which contains all or any part of a district for which a change of organization is proposed or ordered with respect to territory outside the city.

SEC. 10. Section 56023 of the Government Code is amended to read:

56023. "Affected district" means each district which contains, or whose sphere of influence contains, or would contain territory for which a change of organization is proposed or ordered.

SEC. 11. Section 56214 of the Government Code is amended to read:

56214. The executive officer shall also give mailed notice of any hearing, as provided in Sections 56087 to 56089, inclusive, by mailing notice of hearing to:

(a) Each affected city and district.

(b) The chief petitioners, if any.

(c) Each person who has filed a written request for special notice with the executive officer.

SEC. 12. Section 56312 of the Government Code is amended to read:

56312. The clerk of the conducting district shall also give mailed notice of any hearing as provided in Sections 56087 to 56089, inclusive, by mailing notice of hearing to each of the following:

(a) In the case of a benefit district, to all landowners owning land within the affected territory.

(b) To each person who has filed a written request for special notice with the clerk of the conducting district.

(c) To each affected county, city, and district.

(d) To the executive officer of the commission.

SEC. 13. Section 13982 of the Health and Safety Code is repealed.

SEC. 14. Section 13982 is added to the Health and Safety Code, to read:

13982. Upon a finding that the statements in the petition are correct, the board of supervisors, not less than 30 days after the conclusion of the hearing, shall adopt a resolution making a finding regarding the value of written protests filed and not withdrawn, and take one of the following actions:

(a) In the case of inhabited territory:

(1) Terminate proceedings if a majority protest exists in accordance with Section 13982.5; or

(2) Order that the territory be organized or reorganized as a district under this part and describe the exterior boundaries of the territory included within the district subject to confirmation by the registered voters residing within the affected territory if written protests have been filed and not withdrawn by either (i) at least 25 percent and less than 50 percent of the registered voters residing in the affected territory or (ii) at least 25 percent of the number of owners of land who also own at least 25 percent of the assessed value of land within the affected territory; or

(3) Order that the territory be organized or reorganized as a district under this part and describe the exterior boundaries of the territory included within the district without an election if written protests have been filed and not withdrawn by less than 25 percent of the registered voters or 25 percent of the number of owners of land owning less than 25 percent of the assessed value of land within the affected territory.

(b) In the case of uninhabited territory:

(1) Terminate proceedings if a majority protest exists in accordance with Section 13982.5; or

(2) Order that the territory be organized or reorganized as a district under this part and describe the exterior boundaries of the territory included within the district if written protests have been filed and not withdrawn by owners of land who own less than 50 percent of the total assessed value of land within the affected territory.

SEC. 15. Section 13982.5 is added to the Health and Safety Code, to read:

13982.5. A majority protest shall be deemed to exist and the proposed organization or reorganization shall be abandoned if the board of supervisors finds that written protests filed and not withdrawn prior to the conclusion of the hearing represent:

(a) In the case of uninhabited territory, landowners owning more

than 50 percent of the assessed value of the land within the affected territory; or

(b) In the case of inhabited territory more than 50 percent of the voting power of voters entitled to vote as a result of residing in or owning land within the affected territory.

SEC. 16. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 17. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

CHAPTER 81

An act to amend Sections 3700, 3701, 3702, and 3704 of the Fish and Game Code, relating to migratory birds, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 10, 1984. Filed with Secretary of State April 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 3700 of the Fish and Game Code is amended to read:

3700. (a) It is unlawful for any person, except a person licensed pursuant to subdivision (b) of Section 3031, to take any migratory game bird, except jacksnipe, coots, gallinules, western mourning doves, white-winged doves, and band-tailed pigeons, without first procuring a state duck stamp and having the state duck stamp in his or her possession while taking those birds.

(b) State duck stamps shall be sold for a fee of seven dollars and fifty cents ($7.50) by the department and by license agents, who are authorized by the department pursuant to Section 1055, in the same manner as hunting licenses. The commission shall determine the form of state duck stamps pursuant to Section 1050.

SEC. 2. Section 3701 of the Fish and Game Code is amended to read:

3701. All funds derived from the sale of state duck stamps shall be deposited in the State Duck Stamp Account in the Fish and Game Preservation Fund to permit separate accountability for the receipt and expenditure of funds derived from the sale of state duck stamps.

An amount not to exceed twenty-five cents ($0.25) for each state duck stamp sold may be used to reimburse the department for the costs of administering this article. The amount used to reimburse the department shall be in addition to compensation allowed persons authorized to issue and sell licenses pursuant to Section 1055.

SEC. 3. Section 3702 of the Fish and Game Code is amended to read:

3702. Funds deposited in the State Duck Stamp Account shall be used for projects approved by the commission for the purpose of protecting, preserving, restoring, enhancing, and developing migratory waterfowl breeding and wintering habitat. The commission may enter into contracts with nonprofit organizations for the use of these funds outside the state, or outside the United States, when it finds the contracts are necessary for carrying out the purposes of this article.

SEC. 4. Section 3704 of the Fish and Game Code is amended to read:

3704. Two dollars and twenty-five cents ($2.25) of the amount collected by the department for each state duck stamp sold shall be allocated by the commission for the preservation of waterfowl habitat in those areas of Canada from which come substantial numbers of waterfowl migrating to or through California. The available balance of the funds shall be used for protecting, preserving, restoring, enhancing, and developing migratory waterfowl breeding and wintering habitat in California, provided that any lands acquired in California with those funds shall be open to waterfowl hunting as a public shooting ground or wildlife management area.

SEC. 5. This act shall become operative July 1, 1984.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that this act may apply to the hunting year commencing July 1, 1984, it is necessary that this act take effect immediately.

CHAPTER 82

An act to amend Section 466 of, and to add Section 466.1 to, the Penal Code, relating to burglary tools.

[Approved by Governor April 10, 1984. Filed with Secretary of State April 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 466 of the Penal Code is amended to read:

466. Every person having upon him or her in his or her possession a picklock, crow, keybit, crowbar, screwdriver, vice grip pliers, water-pump pliers, slidehammer, slim jim, tension bar, lock pick gun, tubular lock pick, floor-safe door puller, master key, or other instrument or tool with intent feloniously to break or enter into any building, railroad car, aircraft, or vessel, trailer coach, or vehicle as defined in the Vehicle Code, or who shall knowingly make or alter, or shall attempt to make or alter, any key or other instrument above named so that the same will fit or open the lock of a building, railroad car, aircraft, or vessel, trailer coach, or vehicle as defined in the Vehicle Code, without being requested so to do by some person having the right to open the same, or who shall make, alter, or repair any instrument or thing, knowing or having reason to believe that it is intended to be used in committing a misdemeanor or felony, is guilty of misdemeanor. Any of the structures mentioned in Section 459 shall be deemed to be a building within the meaning of this section.

SEC. 2. Section 466.1 is added to the Penal Code, to read:

466.1. Any person who knowingly and willfully sells or provides a lock pick, a tension bar, a lock pick gun, a tubular lock pick, or a floor-safe door puller, to another, whether or not for compensation, shall obtain the name, address, telephone number, if any, date of birth, and driver's license number or identification number, if any, of the person to whom the device is sold or provided. This information, together with the date the device was sold or provided and the signature of the person to whom the device was sold or provided, shall be set forth on a bill of sale or receipt. A copy of each bill of sale or receipt shall be retained for one year and shall be open to inspection by any peace officer during business hours.

Any person who violates any provision of this section is guilty of a misdemeanor.

SEC. 3. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 83

An act to amend Section 34090.7 of the Government Code, relating to destruction of city records.

[Approved by Governor April 16, 1984 Filed with Secretary of State April 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 34090.7 of the Government Code is amended to read:

34090.7. Notwithstanding the provisions of Section 34090, the legislative body of a city may prescribe a procedure under which duplicates of city records less than two years old may be destroyed if they are no longer required.

For purposes of this section, video recording mediums, such as videotapes and films, shall be considered duplicate records if the city keeps another record, such as written minutes or an audio tape recording, of the event which is recorded in the video medium. However, a video recording medium shall not be destroyed or erased pursuant to this section for a period of at least 90 days after occurrence of the event recorded thereon.

CHAPTER 84

An act relating to vehicle equipment.

[Approved by Governor April 17, 1984 Filed with Secretary of State April 19, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The Department of Rehabilitation, in cooperation with the Department of the California Highway Patrol, shall conduct a study of the frequency and seriousness of accidents occurring while utilizing lift devices for raising or lowering wheelchairs and their occupants so as to permit handicapped persons access to vehicles. The results of the study shall be reported to the Legislature on or before July 1, 1985.

CHAPTER 85

An act to amend Sections 2272, 3402, 3407, and 15600 of, to amend the headings of Chapter 3 (commencing with Section 2225) and Article 3 (commencing with Section 2270) of Chapter 3 of Division 3 of, to repeal Section 12010 of, to repeal and add Section 2271 of, and to add Section 12007 to, the Fish and Game Code, relating to aquatic resources, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 17, 1984. Filed with Secretary of State April 19, 1984]

The people of the State of California do enact as follows:

SECTION 1. The heading of Chapter 3 (commencing with Section 2225) of Division 3 of the Fish and Game Code is amended to read:

CHAPTER 3. IMPORTATION AND TRANSPORTATION OF LIVE PLANTS AND ANIMALS

SEC. 2. The heading of Article 3 (commencing with Section 2270) of Chapter 3 of Division 3 of the Fish and Game Code is amended to read:

Article 3. Aquatic Plants and Animals

SEC. 3. Section 2271 of the Fish and Game Code is repealed.

SEC. 4. Section 2271 is added to the Fish and Game Code, to read:

2271. (a) No live aquatic plant or animal may be imported into this state without the prior written approval of the department pursuant to regulations adopted by the commission. A written application for the importation, submitted in conformance with the procedural requirements established by the commission, is deemed approved where it has not been denied within 60 days.

(b) This section does not apply to the following plants or animals unless the plants or animals are or may be placed in waters of the state:

(1) Mollusks.

(2) Crustaceans.

(3) Ornamental marine or freshwater plants and animals that are not utilized for human consumption or bait purposes and are maintained in closed systems for personal, pet industry, or hobby purposes.

(c) The section does not apply to any live aquatic plant or animal imported by a registered aquaculturist.

SEC. 5. Section 2272 of the Fish and Game Code is amended to read:

2272. Each package containing any live aquatic plant or animal shall bear, in a conspicuous place, a tag on which shall be stated the name and address of the consignor, the name and address of the consignee, and the exact contents of the package.

SEC. 6. Section 3402 of the Fish and Game Code is amended to read:

3402. (a) A license for a wildlife management area may be issued to any landholder or combination of landholders upon approval by the commission of an application submitted by the landholder. As used in this article, "landholder" means any person who owns, leases,

or has a possessory interest in land.

(b) Each license application shall be accompanied by a nonrefundable fee in an amount established by the commission which, in conjunction with the fees collected pursuant to Section 3407, is calculated to meet the department's costs in administering the program. The application shall be accompanied by a wildlife management plan and such other information about the proposed wildlife management area as may be required by the commission.

(c) An application for a license may be submitted by any number of landholders if all parcels to be included in the wildlife management area are contiguous and, in combination, are of a size suitable for the management of the species included in the wildlife management plan. The landholders shall designate one landholder who shall represent them in all dealings with the commission and the department. The designated landholder shall be responsible for the operation of the wildlife management area.

(d) A landholder who does not own the fee to the land may apply for a license pursuant to this article only if the owner or public agency responsible for the management of the affected lands consents to the application.

SEC. 7. Section 3407 of the Fish and Game Code is amended to read:

3407. The commission may require that any fish, bird, or mammal taken in a wildlife management area licensed pursuant to this article is to be marked for identification with a distinctive tag or seal issued by the department prior to being removed from the wildlife management area. Any fish, bird, or mammal so identified may be possessed and transported at any time during the period for which the tag or seal is valid. The fees for tags and seals shall be established by the commission in amounts which, in conjunction with fees collected pursuant to Section 3402, are calculated to meet the costs incurred by the department in administering this article.

SEC. 8. Section 12007 is added to the Fish and Game Code, to read:

12007. Notwithstanding Section 12002, the maximum punishment for each violation of Section 2270, 2271, 6400, 15202, 15509, or 15600, or any regulation adopted pursuant to Section 15510, is a fine of five thousand dollars ($5,000) or imprisonment in the county jail for a period not to exceed one year, or both the fine and imprisonment.

SEC. 9. Section 12010 of the Fish and Game Code is repealed.

SEC. 10. Section 15600 of the Fish and Game Code is amended to read:

15600. No live aquatic plant or animal may be imported into this state by a registered aquaculturist without the prior written approval of the department pursuant to the regulations adopted by the commission.

SEC. 11. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the

California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 12. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The introduction of an exotic species of fish into the delta system would place the anadromous fishery of the Sacramento-San Joaquin Delta in serious jeopardy and, in order to continue and enhance the ability of the Department of Fish and Game to preserve habitat for wildlife species through implementation of programs for private wildlife management pursuant to Article 5 (commencing with Section 3400) of Chapter 2 of Part 1 of Division 4 of the Fish and Game Code, it is necessary that this act take effect immediately.

CHAPTER 86

An act to amend Section 417 of the Penal Code, relating to weapons.

[Approved by Governor April 17, 1984 Filed with Secretary of State April 19, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 417 of the Penal Code is amended to read:

417. (a) (1) Every person who, except in self-defense, in the presence of any other person, draws or exhibits any deadly weapon whatsoever, other than a firearm, in a rude, angry or threatening manner, or who in any manner, unlawfully uses the same in any fight or quarrel is guilty of a misdemeanor.

(2) Every person who, except in self-defense, in the presence of any other person, draws or exhibits any firearm, whether loaded or unloaded, in a rude, angry, or threatening manner, or who in any manner, unlawfully uses the same in any fight or quarrel is guilty of a misdemeanor punishable by imprisonment in the county jail for a term of not less than three months and not to exceed six months, or by both imprisonment and a fine not exceeding five hundred dollars ($500).

(b) Every person who, in the immediate presence of a peace officer, draws or exhibits any firearm, whether loaded or unloaded, in a rude, angry or threatening manner, and who knows or reasonably should know that the victim is a peace officer engaged in the performance of his or her duties, and such peace officer is

engaged in the performance of his or her duties is guilty of a felony punishable by imprisonment in the county jail for a term of not less than six months and not to exceed one year, or in the state prison.

As used in this section, "peace officers" refers to any person designated as a peace officer by Section 830.1, Section 830.2, subdivision (a) of Section 830.3, or Section 830.5.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 87

An act to add Chapter 2 (commencing with Section 20200) to Division 10 of the Water Code, relating to water districts.

[Approved by Governor April 17, 1984. Filed with Secretary of State April 19, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 2 (commencing with Section 20200) is added to Division 10 of the Water Code, to read:

CHAPTER 2. WATER DISTRICT TAXES

20200. (a) Notwithstanding any other provisions of law, a mobilehome used primarily for residential purposes and located on rental spaces within a mobilehome park is not property subject to ad valorem property taxes for debt service of any water district or of any improvement district therein.

(b) As used in this chapter, "water district" means any district or other political subdivision, other than a city or county, a primary function of which is the irrigation, reclamation, or drainage of land or the diversion, storage, or distribution of water primarily for domestic, municipal, agricultural, industrial, recreation, fish and wildlife enhancement, flood control, or power production purposes.

CHAPTER 88

An act to add Section 22204.5 to the Education Code, relating to public retirement systems.

[Approved by Governor April 17, 1984. Filed with Secretary of State April 19, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 22204.5 is added to the Education Code, to read:

22204.5. The board shall establish an ombudsman position to serve directly under the chief executive officer. The duties of the position shall include reviewing and making recommendations regarding complaints by school employees, members, retirants, employee organizations, Members of the Legislature, or members of the public regarding actions of the staff of the system.

It is the intent of the Legislature that the salary of the position of ombudsman be offset, as much as possible, through savings realized in reductions in interest payments on delinquent benefits to members, and through a more efficient and improved public relations program.

CHAPTER 89

An act to amend Sections 3517.6, 19886, 19886.1, 19886.2, and 50925 of the Government Code, and to amend Sections 13140, 13140.5, and 13140.6 of the Health and Safety Code, relating to firefighters.

[Approved by Governor April 17, 1984. Filed with Secretary of State April 19, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 3517.6 of the Government Code is amended to read:

3517.6. In any case where the provisions of Section 70031 of the Education Code, or subdivision (h) of Section 3513, or Section 14876, 18714, 19080.5, 19100, 19143, 19261, 19819.1, 19820, 19822, 19824, 19826, 19827, 19828, 19829, 19830, 19831, 19832, 19833, 19834, 19835, 19836, 19837, 19838, 19839, 19840, 19841, 19842, 19843, 19844, 19845, 19846, 19847, 19848, 19849, 19849.1, 19849.4, 19850.1, 19850.2, 19850.3, 19850.4, 19850.5, 19850.6, 19851, 19853, 19854, 19856, 19856.1, 19858.1, 19858.2, 19859, 19860, 19861, 19862, 19862.1, 19863, 19863.1, 19864, 19866, 19869, 19870, 19871, 19871.1, 19872, 19873, 19874, 19875, 19876, 19877, 19877.1, 19878, 19879, 19880, 19880.1, 19881, 19882, 19883, 19884, 19885, 19887, 19887.1, 19887.2, 19888, 19990, 19991, 19991.1, 19991.2, 19991.3, 19991.4,

19991.5, 19991.6, 19991.7, 19992, 19992.1, 19992.2, 19992.3, 19992.4, 19993, 19994.1, 19994.2, 19994.3, 19994.4, 19995, 19995.1, 19995.2, 19995.3, 19996.1, 19996.2, 19998, 19998.1, 20750.11, 21400, 21402, 21404, 21405, 22825, or 22825.1 are in conflict with the provisions of a memorandum of understanding, the memorandum of understanding shall be controlling without further legislative action. In any case where the provisions of Section 19997.2, 19997.3, 19997.8, 19997.9, 19997.10, 19997.11, 19997.12, 19997.13, or 19997.14 are in conflict with the provisions of a memorandum of understanding, the terms of the memorandum of understanding shall be controlling unless the State Personnel Board finds those terms to be inconsistent with merit employment principles as provided for by Article VII of the California Constitution. Where such finding is made, the provisions of the Government Code shall prevail until those affected sections of the memorandum of understanding are renegotiated to resolve the inconsistency. If any provision of the memorandum of understanding requires the expenditure of funds, those provisions of the memorandum of understanding shall not become effective unless approved by the Legislature in the annual Budget Act. If any provision of the memorandum of understanding requires legislative action to permit its implementation by amendment of any section not cited above, those provisions of the memorandum of understanding shall not become effective unless approved by the Legislature.

SEC. 2. Section 19886 of the Government Code is amended to read:

19886. As used in this article the term "firefighter of the state" or "firefighter" shall be deemed to include a member of a fire department or fire service of the state, including the University of California, whether these members are volunteer, partly paid, or fully paid, excepting those whose principal duties are clerical, such as stenographers, telephone operators and other workers not engaged in fire-suppression or rescue operations or the protection or preservation of life or property. These firefighters shall be regularly employed, or in the case of a volunteer, shall be regularly enrolled as such.

SEC. 3. Section 19886.1 of the Government Code is amended to read:

19886.1. Whenever any firefighter of the state dies or is disabled from performing his or her duties as a firefighter by reason of his or her proceeding to or engaging in a fire-suppression or rescue operation, or the protection or preservation of life or property, anywhere in this state, including the jurisdiction in which he or she is employed, but is not at the time acting under the immediate direction of his or her employer, he or she, or his or her dependents, as the case may be, shall be accorded by his or her employer all of the same benefits of the workers' compensation law, which he, she, or they would have received had that firefighter been acting under the immediate direction of his or her employer. Any injury, disability

or death incurred under the circumstances described in this section shall be deemed to have arisen out of and been sustained in the course of employment for purposes of workers' compensation and all other benefits.

SEC. 4. Section 19886.2 of the Government Code is amended to read:

19886.2. Nothing in this article shall be deemed to:

(a) Require the extension of any benefits to a firefighter who at the time of his or her injury, death, or disability is acting for compensation from one other than the state.

(b) Require the extension of any benefits to a firefighter employed by the state where by state departmental regulation, whether now in force or hereafter enacted or promulgated, the activity giving rise to the injury, disability, or death, is expressly prohibited.

SEC. 5. Section 50925 of the Government Code is amended to read:

50925. As used in this article the term "firefighter" shall be deemed to include only a member of a fire department of cities, counties, cities and counties, districts or other public or municipal corporations or political subdivisions, whether the members are volunteer, partly paid, or fully paid, excepting those whose principal duties are clerical, such as stenographers, telephone operators and other workers not engaged in fire-suppression or rescue operations or the protection or preservation of life or property. These firefighters shall be regularly employed, or in the case of a volunteer, shall be regularly enrolled as such.

SEC. 6. Section 13140 of the Health and Safety Code is amended to read:

13140. There is hereby created in the office of the State Fire Marshal a State Board of Fire Services which shall consist of 18 members. The State Board of Fire Services succeeds to all of the powers, duties, and responsibilities of the State Fire Advisory Board, which is hereby abolished. Whenever the term "State Fire Advisory Board" appears in any other law, it means the State Board of Fire Services.

SEC. 7. Section 13140.5 of the Health and Safety Code is amended to read:

13140.5. The board shall be composed of the following voting members: the State Fire Marshal, the Chief of Fire Protection of the Department of Forestry, the Chief of the Fire and Rescue Division, Office of Emergency Services, one representative of the insurance industry, one volunteer firefighter, four fire chiefs, six fire service labor representatives, one representative from city government, one representative from a fire district, and one representative from county government.

The following members shall be appointed by the Governor: one representative of the insurance industry, one volunteer firefighter, four fire chiefs, six fire service labor representatives, one

representative from city government, one representative from a fire district, and one representative from county government. Each member appointed shall be a resident of this state. The volunteer firefighter shall be selected from a list of names recommended by statewide organizations representing volunteer firefighters with organization memberships exceeding 2,000 persons. Three of the fire chiefs appointed to the board shall be selected from a list of names recommended by the Board of Directors of the California Fire Chiefs' Association, Inc. and one fire chief shall be selected from a list of names submitted by the California Metropolitan Fire Chiefs. The six fire service labor representatives shall be selected from a list of names recommended by statewide employee organizations representing rank and file firefighters with organization memberships exceeding 2,000 firefighters, but not more than one fire service labor representative shall be selected from among persons recommended by any one of the employee organizations, unless each organization is represented on the membership of the board. The city government representative shall be selected from elected or appointed city chief administrative officers. The fire district representative shall be selected from elected or appointed directors of fire districts. The county government representative shall be selected from elected or appointed county chief administrative officers. The appointed members shall be appointed for a term of four years. Any member chosen by the Governor to fill a vacancy created other than by expiration of a term shall be appointed for the unexpired term of the member he or she is to succeed.

SEC. 8. Section 13140.6 of the Health and Safety Code is amended to read:

13140.6. A quorum of the board shall consist of not less than 10 members of the board. Proxy representation shall not be permitted.

SEC. 9. It is the intent of the Legislature that, if a volunteer firefighter has been appointed to the State Board of Fire Services prior to the effective date of this act, that appointee shall be the volunteer firefighter member created by this act, and his or her prior position on the board shall be considered vacant.

CHAPTER 90

An act relating to community college facilities, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 18, 1984. Filed with Secretary of State April 20, 1984]

The people of the State of California do enact as follows:

SECTION 1. The Mendocino-Lake Community College District may proceed to prepare bid proposals and to secure bids for project work for the construction of a library and learning resource building. However, no funds shall be expended to make any payment pursuant to any contract relating to the project work unless the funds are appropriated for that purpose in the Budget Act of 1984.

SEC. 2. The Legislature hereby finds that due to the unique circumstances affecting the Mendocino-Lake Community College District, a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to permit the Mendocino-Lake Community College District to save money through contracting for project work for the construction of a library and learning resource building and beginning the construction of the building at the earliest possible date, it is necessary that this act take effect immediately.

CHAPTER 91

An act to validate the organization, boundaries, acts, proceedings, and bonds of public bodies, as herein defined, and to provide limitations of time within which actions may be commenced in connection therewith, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 23, 1984 Filed with Secretary of State April 24, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The following terms shall have the following meanings herein:

(a) The term "public body" means counties, cities and counties, cities, and the following districts, authorities, agencies, boards, commissions, and other entities:

Agencies, boards, commissions, or entities constituted or provided for under or pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code.

Air pollution control districts.

Air quality management districts.

Airport districts.

Assessment districts.

Bridge and highway districts.

Bridge, highway, and transportation districts.

California water district distribution districts.

California water district improvement districts.
California water districts.
Cemetery districts.
Citrus pest control districts.
City general improvement district improvement districts.
City general improvement districts.
City maintenance districts.
Community college districts.
Community facilities districts.
Community service district improvement districts.
Community service districts.
Conservancy districts.
Cotton pests abatement districts.
County boards of education.
County drainage districts.
County fire protection districts.
County flood control and water districts.
County free library systems.
County maintenance districts.
County power pumping districts.
County sanitation district improvement districts.
County sanitation districts.
County service area improvement areas.
County service areas.
County sewage and water districts.
County water agencies.
County water authorities.
County water district improvement districts.
County water districts.
County waterworks districts.
Crossing guard maintenance districts.
Department of Water Resources and other agencies acting under and pursuant to Part 3 (commencing with Section 11100) of Division 6 of the Water Code.
Drainage districts.
Fire protection districts.
Flood control and water conservation districts.
Flood control districts.
Garbage and refuse disposal districts.
Garbage disposal districts.
Geologic hazard abatement districts.
Harbor districts.
Harbor improvement districts.
Harbor, recreation, and conservation districts.
Highway districts.
Highway interchange districts.
Highway lighting districts.
Horticultural development districts.
Horticultural protection districts.

Housing authorities.
Industrial development authority.
Irrigation district distribution districts.
Irrigation district improvement districts.
Irrigation districts.
Joint harbor improvement districts.
Joint highway districts.
Joint municipal sewage disposal districts.
Junior college districts.
Levee districts.
Library districts.
Local health districts.
Local hospital districts.
Metropolitan transit development boards.
Metropolitan water districts.
Mosquito abatement districts.
Mosquito abatement or vector control districts.
Municipal facilities districts.
Municipal improvement assessment districts.
Municipal improvement district improvement districts.
Municipal improvement districts.
Municipal port districts.
Municipal sewer districts.
Municipal utility districts.
Municipal water district improvement districts.
Municipal water districts of any kind.
Parking authorities.
Parking districts.
Park, recreation, and parkway districts.
Permanent road divisions.
Pest abatement districts.
Port districts.
Project areas of redevelopment agencies.
Protection districts.
Public cemetery districts.
Public utility district improvement districts.
Public utility districts.
Rapid transit authorities.
Rapid transit districts.
Reclamation districts.
Recreational harbor districts.
Recreation and park districts.
Recreation, park, and parkway districts.
Redevelopment agencies.
Regional open-space districts.
Regional park and open-space districts.
Regional park districts.
Regional planning districts.
Resort improvement districts.

Resource conservation districts.
River port districts.
Road districts.
Sanitary agencies.
Sanitary districts.
Sanitary districts annexed areas.
School districts of any kind or class.
Separation of grade districts.
Sewer maintenance districts.
Special transit service districts.
Special benefit assessment districts of the Southern California Rapid Transit District.
Storm water districts.
Transit districts.
Underground utility districts.
Unified air pollution control districts.
Unified port districts.
Urban renewal agencies.
Vehicle parking districts.
Veterans' memorial districts.
Water agencies.
Water authorities.
Water conservation districts.
Water districts.
Water replenishment districts.
Water storage district improvement districts.
Water storage districts.
Weed abatement districts.
Zones of community service districts.
Zones of county water agencies.
Zones of county water authorities.
Zones of county waterworks districts.
Zones of flood control and water conservation districts.
Zones of flood control districts.

The term "public body" and the plural thereof, as used in this act, shall include only those entities which are specifically enumerated in this section.

(b) The term "bonds" means all instruments evidencing an indebtedness of a public body incurred or to be incurred for any public purpose, and all instruments evidencing the borrowing of money in anticipation of taxes, revenues, or other income of such body, and all instruments payable from revenues or special funds of such public bodies, and all instruments funding or refunding any thereof or any indebtedness.

SEC. 2. All public bodies heretofore organized or existing under, or under color of, any law are hereby declared to have been legally organized and to be legally functioning as such public body. Every such public body shall have all the rights, powers, and privileges, and be subject to all the duties and obligations, of such a public body

regularly formed pursuant to law.

SEC. 3. The boundaries of every public body as heretofore established, defined, or recorded, or as heretofore actually shown on maps or plats used by the assessor, are hereby confirmed, validated, and declared legally established.

SEC. 4. All acts and proceedings heretofore taken by any public body or bodies under any law, or under color of any law, for the annexation or inclusion of territory into any such public body or for the annexation of any such public body to any other such public body or for the withdrawal or exclusion of territory from any such public body or for the consolidation, merger, or dissolution of any public bodies are hereby confirmed, validated, and declared legally effective. This shall include all acts and proceedings of the governing board of any such public body and of any person, public officer, board, or agency heretofore done or taken upon the question of the annexation or inclusion or of the withdrawal or exclusion of such territory or the consolidation, merger, or dissolution of such public bodies.

SEC. 5. All acts and proceedings heretofore taken by or on behalf of any public body under any law, or under color of any law, for the authorization, issuance, sale, or exchange of bonds of any such public body for any public purpose are hereby confirmed, validated, and declared legally effective. This shall include all acts and proceedings of the governing board of such public body and of any person, public officer, board, or agency heretofore done or taken upon the question of the authorization, issuance, sale, or exchange of such bonds.

All bonds of any public body heretofore issued shall be, in the form and manner in which issued and delivered, the legal, valid, and binding obligations of the public body. All bonds of any public body heretofore awarded and sold to a purchaser and hereafter issued and delivered in accordance with the contract of sale and other proceedings for the award and sale shall be the legal, valid, and binding obligations of the public body. All bonds of any public body heretofore authorized to be issued by ordinance, resolution, order, or other action adopted or taken by or on behalf of the public body and hereafter issued and delivered in accordance with such authorization shall be the legal, valid, and binding obligations of the public body. All bonds of any public body heretofore authorized to be issued at an election and hereafter issued and delivered in accordance with such authorization shall be the legal, valid, and binding obligations of the public body. Whenever an election has heretofore been called for the purpose of submitting to the voters of any public body the question of issuing bonds for any public purpose, such bonds, if hereafter authorized by the required vote and in accordance with the proceedings heretofore taken, and issued and delivered in accordance with such authorization, shall be the legal, valid, and binding obligations of the public body.

SEC. 6. (a) The foregoing provisions of this act shall operate to supply such legislative authorization as may be necessary to validate

any such acts and proceedings heretofore taken which the Legislature could have supplied or provided for in the law under which such acts or proceedings were taken.

(b) The foregoing provisions of this act shall be limited to the validation of acts and proceedings to the extent to which the same can be effectuated under the State and Federal Constitutions.

(c) The foregoing provisions of this act shall not operate to confirm, validate, or legalize any act, proceeding, or other matter the legality of which is being contested or inquired into in any legal proceeding now pending and undetermined or which may be pending and undetermined during the period of 30 days from and after the effective date of this act, and shall not operate to confirm, validate, or legalize any act, proceeding, or other matter which has heretofore been determined in any legal proceeding to be illegal, void, or ineffective.

(d) This act shall not operate to confirm, validate, or legalize a contract between any district and the United States.

SEC. 7. Any action or proceeding contesting the validity of any action or proceeding heretofore taken under any law, or under color of any law, for the formation, organization, or incorporation of any public body, or for any annexation thereto, exclusion therefrom, or other change of boundaries thereof, or for the consolidation, merger, or dissolution of any public bodies, or for the authorization, issuance, sale, or exchange of bonds thereof upon any ground involving any alleged defect or illegality not effectively validated by the prior provisions of this act and not otherwise barred by any statute of limitations or by laches must be commenced within six months of the effective date of this act; otherwise each and all of such matters shall be held to be valid and in every respect legal and incontestable. This section shall not extend the period in which any action may be brought beyond the period in which it would be barred by any presently existing valid statute of limitations.

SEC. 8. Nothing contained in this act shall be construed to render the creation of any city or district, or any change in the boundaries of any city or district, effective for purposes of assessment or taxation unless the statement, together with the map or plat, required to be filed under Sections 54900 to 54904, inclusive, of the Government Code, is filed within the time and substantially in the manner required by said sections.

SEC. 9. As used in this act, the word "now" means the date this act takes effect; the word "heretofore" means any time prior to such effective date; and the word "hereafter" means any time subsequent to such effective date.

SEC. 10. This act may be cited as the First Validating Act of 1984.

SEC. 11. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

To validate the organization, boundaries, acts, proceedings, and

bonds of public bodies as soon as possible, it is necessary that this act take immediate effect.

CHAPTER 92

An act to amend Sections 1656 and 1680 of the Business and Professions Code, relating to dentistry.

[Approved by Governor April 25, 1984. Filed with Secretary of State April 25, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 1656 of the Business and Professions Code is amended to read:

1656. On and after January 1, 1985, every dentist licensed to practice dentistry in the state and any person working in a dentist's office who operates dental radiographic equipment shall meet at least one of the following requirements:

(a) Pass a course, approved by the board, in radiation safety which includes theory and clinical application in radiographic technique. The board shall require the courses to be taught by persons qualified in radiographic technique and shall adopt regulations specifying the qualifications for course instructors.

(b) Have passed a radiation safety examination conducted by the board prior to January 1, 1985.

SEC. 2. Section 1680 of the Business and Professions Code is amended to read:

1680. Unprofessional conduct by a person licensed under this chapter is defined as, but is not limited to, the violation of any one of the following:

(a) The obtaining of any fee by fraud or misrepresentation.

(b) The employment directly or indirectly of any student or suspended or unlicensed dentist to practice dentistry as defined in this chapter.

(c) The aiding or abetting of any unlicensed person to practice dentistry.

(d) The aiding or abetting of a licensed person to practice dentistry unlawfully.

(e) The committing of any act or acts of gross immorality substantially related to the practice of dentistry.

(f) The use of any false, assumed or fictitious name, either as an individual, firm, corporation, or otherwise, or any name other than the name under which he or she is licensed to practice, in advertising or in any other manner indicating that he or she is practicing or will practice dentistry, except that name as is specified in a valid permit issued pursuant to Section 1701.5.

(g) The practice of accepting or receiving any commission or the

rebating in any form or manner of fees for professional services, radiograms, prescriptions or other services or articles supplied to patients.

(h) The making use by the licentiate or any agent of the licentiate of any advertising statements of a character tending to deceive or mislead the public.

(i) The advertising of either professional superiority or the advertising of performance of professional services in a superior manner. This subdivision shall not prohibit advertising permitted by subdivision (h) of Section 651.

(j) The employing or the making use of solicitors.

(k) The advertising of any free dental work, or free examination.

(*l*) The advertising to guarantee any dental service, or to perform any dental operation painlessly. This subdivision shall not prohibit advertising permitted by Section 651.

(m) The violation of any of the provisions of law regulating the procurement, dispensing, or administration of dangerous drugs, as defined in Article 8 (commencing with Section 4211) of Chapter 9, or controlled substances, as defined in Division 10 (commencing with Section 11000) of the Health and Safety Code.

(n) The violation of any of the provisions of this division.

(o) The permitting of any person to operate dental radiographic equipment who has not met the requirements of Section 1656.

(p) The clearly excessive prescribing or administering of drugs or treatment, or the clearly excessive use of diagnostic procedures, or the clearly excessive use of diagnostic or treatment facilities, as determined by the customary practice and standards of the dental profession.

Any person who violates this subdivision is guilty of a misdemeanor and shall be punished by a fine of not less than one hundred dollars ($100) or more than six hundred dollars ($600) or by imprisonment for a term of not less than 60 days or more than 180 days or by both such fine and imprisonment.

(q) The use of threats or harassment against any patient or licentiate for providing evidence in any possible or actual disciplinary action, or other legal action; or the discharge of an employee primarily based on the employee's attempt to comply with the provisions of this chapter or to aid in the compliance.

(r) Suspension or revocation of a license issued by another state or territory on grounds which would be the basis of discipline in this state.

(s) The alteration of a patient's record with intent to deceive.

(t) Unsanitary or unsafe office conditions, as determined by the customary practice and standards of the dental profession.

(u) The abandonment of the patient by the licentiate before the completion of a phase of treatment, as that phase of treatment is defined by the customary practice and standards of the dental profession.

(v) The willful misrepresentation of facts relating to a disciplinary

action to the patients of a disciplined licentiate.

(w) Use of fraud in the procurement of any license issued pursuant to this chapter.

(x) Any action or conduct which would have warranted the denial of the license.

(y) The aiding or abetting of a licensed dentist or dental auxiliary to practice dentistry in a negligent or incompetent manner.

(z) The failure to report to the board in writing within seven days either: (1) the death of his or her patient during the performance of any dental procedure, or (2) the discovery of the death of a patient whose death is causally related to a dental procedure performed by him or her.

(aa) Participating in or operating any group advertising and referral services which is in violation of Section 650.2.

CHAPTER 93

An act to amend Section 1214.1 of the Health and Safety Code, relating to dialysis, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 25, 1984. Filed with Secretary of State April 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1214.1 of the Health and Safety Code is amended to read:

1214.1. Notwithstanding the provisions of Section 1214, each application for a surgical clinic or a chronic dialysis clinic under this chapter for an initial license, renewal license, license upon change of ownership, or special permit shall be accompanied by an annual fee of three hundred dollars ($300) plus an amount equal to 0.0003 times the clinic's operating cost for the last completed fiscal year.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that chronic dialysis clinics are ensured more equitable treatment and financial viability which is essential to the health and safety of dialysis patients, it is necessary that this act take immediate effect.

CHAPTER 94

An act to add Section 42277 to the Vehicle Code, relating to vehicles.

[Approved by Governor April 25, 1984. Filed with Secretary of State April 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 42277 is added to the Vehicle Code, to read:

42277. No money in the Motor Vehicle Account in the State Transportation Fund may be expended for automobile driver training.

CHAPTER 95

An act to amend Sections 14524, 14525, 14526, 14527, 14528, 14529, 14535, and 14536 of, to add Section 14529.3 to, to repeal and add Sections 14530 5 and 14531 of, the Government Code, to amend Section 99318.6 of the Public Utilities Code, and to amend Sections 146.5 and 148 of the Streets and Highways Code, relating to transportation.

[Approved by Governor April 25, 1984. Filed with Secretary of State April 26, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 14524 of the Government Code is amended to read:

14524. Not later than October 15 of each year, the department shall submit to the commission a recommended annual and five-year estimate of all federal and state funds available for transportation purposes in order that the commission may provide estimates pursuant to Section 14525.

The estimate shall be on the basis of state transportation districts, and the boundaries of the transportation planning agencies and county transportation commissions in urbanized areas over 50,000 in population. The method by which the estimate is arrived at, including the way in which state discretionary funds are to be estimated, shall be determined by the commission in consultation with the department, the transportation planning agencies, and the county transportation commissions. The estimate shall not include federal discretionary grants or funds.

SEC. 2. Section 14525 of the Government Code is amended to read:

14525. Not later than November 15 of each year, the commission

shall adopt and provide, to the transportation planning agencies and county transportation commissions, an annual and five-year estimate of all state and federal funds reasonably expected to be available to each region for transportation purposes.

The commission may amend the estimate following consultation with the department, transportation planning agencies, and county transportation commissions to account for unexpected revenues or other unforeseen circumstances.

SEC. 3. Section 14526 of the Government Code is amended to read:

14526. Not later than March 1 of each year, the department shall submit, to the commission and all transportation planning agencies and county transportation commissions, its proposed state transportation improvement program as defined in Section 14529. The proposed program shall be consistent with the estimate of funds adopted by the commission pursuant to Section 14525.

Not later than March 1 of each year, the department may submit to the commission its recommendations for inclusion in the list of projects pursuant to Section 14530.5. The department's recommendations shall be consistent with the requirements of Section 14530.5.

SEC. 4. Section 14527 of the Government Code is amended to read:

14527. After consulting with the department and considering its proposed program, the transportation planning agencies and county transportation commissions in urbanized areas of over 50,000 population shall adopt and submit to the commission and department, not later than May 1 of each year, a transportation improvement program, including at a minimum, state transportation funds subject to allocation by the commission as provided for in Section 65082. Other information, including a program for expenditure of local or federal funds may be submitted for information purposes with the program, but only at the discretion of the transportation planning agencies or the county transportation commissions. Except for such information submitted at the discretion of the transportation planning agencies and county transportation commissions, the transportation improvement program submitted by the transportation planning agencies and county transportation commissions may not exceed, for local assistance projects, by more than 25 percent, the estimate of funds for such projects made by the commission pursuant to Section 14525.

The transportation planning agencies and county transportation commissions in urbanized areas of over 50,000 population may submit to the commission and the department their recommendations for inclusion in the list of projects pursuant to Section 14530.5. The recommendations shall be consistent with the requirements of Section 14530.5.

SEC. 5. Section 14528 of the Government Code is amended to read:

14528. In all other areas of the state, the transportation planning agencies shall adopt and submit comments they may have relative to the department's proposed state transportation improvement program to the commission and department not later than May 1 of each year. The comments may include recommendations for inclusion in the list of projects pursuant to Section 14530.5, and the recommendations shall be consistent with the requirements of that section.

SEC. 6. Section 14529 of the Government Code is amended to read:

14529. After taking into consideration the existing adopted state transportation improvement program, the proposed state transportation improvement program submitted by the department pursuant to Section 14526, the regional transportation improvement programs submitted pursuant to Section 14527, and comments submitted pursuant to Section 14528, through the use of public hearings, the commission shall adopt and submit to the Legislature and Governor by July 1 of each year, a five-year state transportation improvement program including all funds to be allocated by the commission consisting of:

(a) The estimate of available funds from state and federal sources and associated constraints for transportation improvement in the state.

(b) All major projects, as determined by the commission, to be funded from state transportation funds allocated by the commission during the succeeding five fiscal years. For any highway project that will not be completed within the five-year period, the commission shall estimate the amount, and identify the source, of funds required to complete the project and the expected completion date.

(c) A summary of expenditures for minor projects, as determined by the commission, to be funded from state transportation funds allocated by the commission during the succeeding five fiscal years.

(d) Recommended annual expenditures from the State Highway Account in the State Transportation Fund by program category, as set forth in the Budget Act, for the succeeding five fiscal years.

(e) Any additional action and information determined by the commission to be relevant to the successful implementation of the adopted state transportation improvement program.

The state transportation improvement program shall be consistent with the estimate of available revenues.

SEC. 7. Section 14529.3 is added to the Government Code, to read:

14529.3. At least 20 days prior to the adoption of the state transportation improvement program, the executive director shall make available to the commission, the department, and the transportation planning agencies and county transportation commissions the recommendations of the staff on the program.

SEC. 8. Section 14530.5 of the Government Code is repealed.

SEC. 9. Section 14530.5 is added to the Government Code, to

read:

14530.5. (a) In addition to adopting the state transportation improvement program, the commission may adopt a list of projects for the department to begin project development work. The projects included in this list are not part of the adopted state transportation improvement program, other than for allocation of funds for project development work. The department shall proceed with the planning, design, and environmental assessment of the projects included on the adopted list, if the work does not interfere with, or delay work on, the adopted program.

(b) Each listed project is subject to all of the following conditions:

(1) The project is either a new facility or a nonsafety operational improvement project.

(2) The department has determined that the projects would require more than five years to prepare for construction.

(3) The project is submitted to the commission pursuant to Section 14526, 14527, or 14528.

(c) With respect to the listed projects, and the highway projects identified in the adopted state transportation improvement program pursuant to subdivision (b) of Section 14529 that will not be completed within the five-year period:

(1) The total cost of all those projects for each federal-aid category shall not exceed 150 percent of the revenues estimated to be available in that category for new facilities and nonsafety operational improvements during the fifth year of the adopted program.

(2) The total cost of all those projects in any county shall not exceed 60 percent of its then current estimated minimum expenditure as determined pursuant to Section 188.8 of the Streets and Highways Code.

SEC. 10. Section 14531 of the Government Code is repealed.

SEC. 11. Section 14531 is added to the Government Code, to read:

14531. The commission may amend the state transportation improvement program as it deems appropriate, if public notice of the proposed amendments is made at least 30 days before the commission takes formal action on the proposed amendments. The notice shall include the text and complete description of the proposed amendments.

SEC. 12. Section 14535 of the Government Code is amended to read:

14535. The commission shall adopt and submit to the Legislature, by December 15 of each year, an annual report summarizing the commission's prior-year decisions in allocating transportation capital outlay appropriations, and identifying timely and relevant transportation issues facing the State of California.

SEC. 13. Section 14536 of the Government Code is amended to read:

14536. The annual report shall consist of the following:

(a) An explanation and summary of major policies and decisions adopted by the commission during the previously completed state

and federal fiscal year, with an explanation of any changes in policy associated with the performance of its duties and responsibilities over the past year.

(b) A final and comprehensive list of all major project allocations in the past year, including state transportation improvement program projects.

The annual report may include a discussion of any significant upcoming transportation issues anticipated to be of concern to the public and the Legislature.

SEC. 14. Section 99318.6 of the Public Utilities Code is amended to read:

99318.6. (a) The department shall not accept an application unless the public entity, other than the department, submitting the application states in the application that it will contribute funds to finance the project in an amount at least equal to 10 percent of the amount requested on the application for the project.

(b) The commission may increase the requirement in subdivision (a) to a higher percentage applicable to all applicants in order to maximize the effectiveness of the funds available for allocation, but may not specify the revenue sources, taxes, assessments, or other charges to be used by the applicant.

SEC. 15. Section 146.5 of the Streets and Highways Code is amended to read:

146.5. The department may construct, maintain, and operate fringe and transportation corridor parking facilities along the state highway system when those facilities would reduce motor vehicle congestion or improve highway safety. For purposes of this code, those facilities are part of the state highway, and the department shall acquire the right-of-way necessary for those facilities in accordance with all of the laws and procedures applicable to other state highway projects.

The department may enter into agreements with other public agencies for the joint financing of those facilities. The rights and obligations of the department and other public agencies with respect to those fringe and transportation corridor parking facilities shall be determined by agreement.

Facilities estimated to cost two hundred fifty thousand dollars ($250,000) or more and located in an urbanized area shall be limited to those facilities included by transportation planning agencies in a regional transportation improvement program prepared pursuant to Section 14527 of the Government Code. Not more than two million dollars ($2,000,000) of the state funds appropriated by the Legislature each year for state highway construction may be used for the purpose of constructing those facilities. In addition, for projects estimated to cost thirty thousand dollars ($30,000) or more, the state funds may be used only to match federal or local funds, or both.

SEC. 16. Section 148 of the Streets and Highways Code is amended to read:

148. The department may construct and maintain transit related

highway facilities along the state highway system. Those facilities may include, but are not limited to, bus turn-outs, passenger loading areas, passenger benches and shelters, and special traffic control devices. For purposes of this code, those facilities are part of the state highway.

Facilities estimated to cost two hundred fifty thousand dollars ($250,000) or more and located in an urbanized area shall be limited to those facilities included by transportation planning agencies in a regional transportation improvement program prepared pursuant to Section 14527 of the Government Code. Not more than one million dollars ($1,000,000) of the state funds appropriated by the Legislature each year for state highway construction may be used for the purpose of constructing those facilities. In addition, for projects estimated to cost thirty thousand dollars ($30,000) or more, the state funds may be used only to match federal or local funds, or both.

CHAPTER 96

An act making an appropriation relating to the payment of claims of local agencies and school districts for reimbursement for specified state-mandated local costs, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 28, 1984. Filed with Secretary of State April 30, 1984.]

I am reducing the appropriation contained in Assembly Bill No. 504 from $52,589,870 to $21,903,053.

I am reducing the $686,817 appropriation in Section 1 first schedule (r) to reimburse costs incurred by the Bay Area Rapid Transit District in complying with certain safety orders issued by the Public Utilities Commission. These costs are essentially costs of operations and, as such, are more appropriately recoverable through the fees which the District is authorized to charge.

I am also deleting the $30,000,000 appropriation in Section 1 second schedule (r) to reimburse local entities for costs incurred as the result of the enactment of Chapter 360, Statutes of 1977. Because that legislation resulted in significant savings to the State Compensation Insurance Fund, I believe that it would be appropriate to satisfy the state's obligation to reimburse those local costs from the SCIF rather than from the General Fund and would look favorably on legislation which would accomplish that purpose.

With these reductions, I approve Assembly Bill No. 504.

GEORGE DEUKMEJIAN, Governor

The people of the State of California do enact as follows:

SECTION 1. The sum of fifty-two million five hundred eighty-nine thousand eight hundred seventy dollars ($52,589,870) is hereby appropriated from the General Fund for the payment of claims for reimbursement of state-mandated costs filed pursuant to Section 2231 of the Revenue and Taxation Code, according to the following schedule:

(a) One thousand five hundred forty-nine dollars ($1,549) to the

State Board of Control for reimbursement claim filed prior to Chapter 1256, Statutes of 1980, for the payment of a claim of the Tehama County Department of Education seeking reimbursable state-mandated costs incurred under Chapter 961, Statutes of 1975, for the 1977–78 fiscal year.

(b) Six hundred twenty-eight thousand two hundred eight dollars ($628,208) to the Controller for the payment of claims of the City of Los Angeles seeking reimbursable state-mandated costs incurred under Chapter 357 of the Statutes of 1978, for the 1978–79, 1979–80, 1980–81, and 1981–82 fiscal years; provided, however, that no funds shall be disbursed until the State Board of Control amends the parameters and guidelines to insure that any costs that would have been incurred under prior law are offset against the total claim.

(c) Two hundred fifty-six thousand dollars ($256,000) to the Controller for the payment of claims of counties seeking reimbursable state-mandated costs incurred under Chapter 1046 of the Statutes of 1976 for the 1977–78, 1978–79, 1979–80, and 1980–81 fiscal years.

These funds shall not be available for disbursement until the State Board of Control, in recognition of the fact that more frequent appraisals result in additional revenues for local agencies, accordingly amends its parameters and guidelines to reflect a reduction in the amount to be reimbursed.

(d) Four million seven hundred thirty-seven thousand dollars ($4,737,000) to the Controller for the payment of claims of counties and cities seeking reimbursable state-mandated costs incurred under Chapter 77 of the Statutes of 1978, for the 1980–81, 1981–82, 1982–83, and 1983–84 fiscal years; provided, however, that the reimbursable cost per ballot for Los Angeles County shall not exceed nine dollars ($9) per ballot.

(e) Eighty-two thousand five hundred sixty dollars ($82,560) to the Controller for the payment of claims of counties seeking reimbursable state-mandated costs incurred under Chapter 494 of the Statutes of 1979, for the 1979–80, 1980–81, 1981–82, 1982–83, and 1983–84 fiscal years.

(f) Forty-one thousand dollars ($41,000) to the Controller for the payment of claims of counties and cities seeking reimbursable state-mandated costs incurred under Chapter 845 of the Statutes of 1978, for the 1978–79, 1979–80, 1980–81, 1981–82, 1982–83, and 1983–84 fiscal years.

(g) Forty thousand dollars ($40,000) to the Controller for the payment of claims of local agencies seeking reimbursable state-mandated costs incurred under Chapter 889 of the Statutes of 1981, for the 1981–82, 1982–83, and 1983–84 fiscal years.

(h) Four million two hundred fifty-three thousand one hundred forty-three dollars ($4,253,143) to the Controller for the payment of claims of school districts seeking reimbursable state-mandated costs incurred under Chapter 894 of the Statutes of 1977, for the 1979–80 fiscal year.

(i) One million six hundred ninety-three thousand eight hundred fifty-nine dollars ($1,693,859) to the Controller for the payment of claims of local agencies seeking reimbursable state-mandated costs incurred under Chapter 946 of the Statutes of 1973 and Sections 17.33 and 18.07 of Title 19 of the California Administrative Code, for the 1977–78, 1978–79, 1979–80, 1980–81, and 1982–83 fiscal years, provided the reimbursement for costs incurred during the 1977–78 and 1978–79 fiscal years shall be paid only to the City and County of San Francisco.

(j) Eight thousand four hundred seventy-six dollars ($8,476) to the Controller for the payment of claims of the County of Santa Cruz seeking reimbursable state-mandated costs incurred under Chapters 282, 1035, and 1039 of the Statutes of 1979, for the 1980–81, 1981–82, 1982–83, and 1983–84 fiscal years.

(k) Seven hundred thousand dollars ($700,000) to the Controller for the payment of claims of counties seeking reimbursable state-mandated costs incurred under Chapter 1130 of the Statutes of 1977, for the 1981–82 and 1982–83 fiscal years.

(*l*) Three hundred forty thousand dollars ($340,000) to the Controller for the payment of claims of counties and cities seeking reimbursable state-mandated costs for Chapter 1143 of the Statutes of 1980, for the 1980–81, 1981–82, 1982–83, and 1983–84 fiscal years; provided, however, that no local agency may receive reimbursement both for costs incurred in adopting its housing element and for costs incurred in making revisions to the housing element.

(m) Two million seven hundred eighty-three thousand dollars ($2,783,000) to the Controller for the payment of claims of counties seeking reimbursable state-mandated costs incurred under Chapter 1281 of the Statutes of 1980 for the 1980–81, 1981–82, 1982–83, and 1983–84 fiscal years.

(n) Ninety-eight thousand three hundred thirty-five dollars ($98,335) to the Controller for claims of counties seeking reimbursable state-mandated costs incurred under Chapter 1349 of the Statutes of 1980 for the 1980–81 and 1981–82 fiscal years.

(o) Four million five hundred eighty-nine thousand dollars ($4,589,000) to the Controller for the payment of claims of counties seeking reimbursable state-mandated costs incurred under Chapter 1399 of the Statutes of 1976, for the 1977–78, 1978–79, 1979–80, 1980–81, 1981–82, 1982–83, and 1983–84 fiscal years, provided that only the County of San Bernardino shall receive reimbursement for costs incurred during the 1977–78 fiscal year; provided, however, that no funds shall be available for disbursement until the State Board of Control amends the parameters and guidelines to provide that any charges imposed by the courts be deducted from any claimed costs.

(p) One million six hundred forty-three thousand dollars ($1,643,000) to the Controller for the payment of claims of counties seeking reimbursable state-mandated costs incurred under Title 14 of the California Administrative Code, Section 17141, for the 1976–77, 1977–78, 1978–79, 1979–80, 1980–81, 1981–82, and 1982–83 fiscal years.

(q) Seven thousand nine hundred twenty-three dollars ($7,923) to the Controller for the payment of costs incurred under Title 15 of the California Administrative Code, Section 4323(c), for the 1980–81 fiscal year.

(r) Six hundred eighty-six thousand eight hundred seventeen dollars ($686,817) to the Controller for the payment of claims of the Bay Area Rapid Transit Authority seeking reimbursable state-mandated costs incurred under Public Utilities Commission Decisions 90144 and 91091, for the 1980–81, 1981–82, 1982–83, and 1983–84 fiscal years.

(r) Thirty million dollars ($30,000,000) to the Controller for the payment of claims of local government resulting from the enactment of Chapter 360 of the Statutes of 1977, for the 1978–79, 1979–80, 1980–81, 1981–82, 1982–83, and 1983–84 fiscal years; provided, however, that reimbursement shall not be provided to those entitites that became self-insured after January 1, 1978.

These funds shall not be available for disbursement by the Controller until the State Board of Control amends its parameters and guidelines for this program to require that any dividends received by an eligible claimant after January 1, 1978, from the State Compensation Insurance Fund be deducted from any amounts claimed as costs mandated by the state.

SEC. 2. The State Board of Control shall amend the parameters and guidelines for the reimbursement of claims under the provisions set forth below, prior to reporting each claim pursuant to Section 2255 of the Revenue and Taxation Code, as follows:

(a) Chapter 718 of the Statutes of 1981, to limit reimbursement by excluding the costs of jurors as a result of the establishment of new judgeships and as a result of the impact of Chapter 593 of the Statutes of 1975.

(b) Chapter 936 of the Statutes of 1977, to specify the mandated activities.

(c) Chapter 1255 of the Statutes of 1980, to identify the savings as a result of schools having fewer items that must go through the competitive bid process.

(d) Sections 4500 to 4549, inclusive, of Title 15 of the California Administrative Code, to limit reimbursement to those activities not previously required by the 1964 Standards for Detention of Minors Under 18 Confined in Jail.

SEC. 3. The Legislature finds and declares that Chapter 1329 of the Statutes of 1980 imposes a state mandate but that it is a nonreimbursable mandate because only negligible increased costs are required to comply with this mandate.

SEC. 4. The Legislature finds and declares that Sections 1301 to 1314, inclusive, of Title 20 of the California Administrative Code, impose a state mandate but that it is a nonreimbursable mandate because fees and assessments can be levied by the local entities sufficient to pay for these mandated costs.

SEC. 5. It is the intent of the Legislature that no reimbursement

be provided in this act for Chapter 1060 of the Statutes of 1980; Chapter 1435 of the Statutes of 1974; and Section 3410 of Title 8 of the California Administrative Code, and that, instead, reimbursement be considered in separate legislation.

SEC. 6. The Legislature finds and declares that Chapter 325 of the Statutes of 1981 does not impose a state-mandated local program.

SEC. 7. The Legislature finds and declares that there are no reimbursable state-mandated local costs related to Chapter 1215 of the Statutes of 1974 for the 1977–78 fiscal year because claims for this reimbursement were submitted more than eight months past the statutory deadline for the reimbursement of costs for the 1977–78 fiscal year.

SEC. 8. The Legislature finds and declares that Chapter 1363 of the Statutes of 1978 imposes a state mandate but that it is a nonreimbursable mandate.

SEC. 9. It is the intent of the Legislature that, in analyzing the claims of local agencies, the Board of Control, the Department of Finance, and the Legislative Analyst shall consider any increased revenues or savings realized by the affected local agency in complying with a state mandate.

SEC. 10. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to settle local government claims against the state for mandated costs, and end hardship to local governments, and to comply with the provisions of Article XIII B of the California Constitution, it is necessary for this act to take effect immediately.

CHAPTER 97

An act to amend Sections 42238.1 and 42239 of, and to add Section 37253 to, the Education Code, relating to education, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 28, 1984 Filed with Secretary of State April 30, 1984.]

I am reducing the appropriation contained in Section 4 of Assembly Bill No 2224 from $41,000,000 to $37,225,000 by reducing the funding of summer school programs for instruction in mathematics, science, or other core academic areas from $38,000,000 to $37,225,000, and by deleting the $3,000,000 allocated for funding summer school teacher training and staff development programs

The reduced appropriation will fully fund the summer school instructional program authorized by this bill.

The deleted $3,000,000 appropriation for summer school staff training is unnecessary. $5,100,000 is already included in the 1984–85 budget for Teacher Education and Computer Centers

With this reduction, I approve Assembly Bill No. 2224.

GEORGE DEUKMEJIAN, Governor

The people of the State of California do enact as follows:

SECTION 1. Section 37253 is added to the Education Code, to read:

37253. (a) The governing board of any school district which offers summer school instructional programs pursuant to this article may also offer summer school programs for instruction in mathematics, science, or other core academic areas designated by the Superintendent of Public Instruction.

(b) The governing board of a school district operating a summer school program pursuant to subdivision (a) may apply to the Superintendent of Public Instruction for grants for the following purposes:

(1) To establish staff development programs for teachers, to upgrade the academic and instructional skills of those teachers providing instruction in the summer school program.

(2) To establish a training program in which persons enrolled in a postsecondary educational institution or teacher training program and who intend to teach mathematics, science, or other core academic areas designated by the Superintendent of Public Instruction, provide supervised instructional services.

(c) To the extent feasible, programs established pursuant to subdivision (b) shall be operated in cooperation with postsecondary educational institutions, teacher education and computer centers, and other appropriate institutions.

(d) The Superintendent of Public Instruction shall adopt rules and regulations necessary to implement this section, including, but not limited to, the designation of academic areas other than mathematics and science as core academic areas.

SEC. 2. Section 42238.1 of the Education Code, as added by Section 20.5 of Chapter 498 of the Statutes of 1983, is amended to read:

42238.1. (a) For the 1984–85 fiscal year and each fiscal year thereafter, the Superintendent of Public Instruction shall compute an inflation adjustment equal to the product of paragraphs (1) and (2):

(1) Compute for the sum of the following:

(A) The statewide average base revenue limit per unit of average daily attendance for the prior fiscal year for districts of similar type.

(B) The amount, if any, per unit of average daily attendance received by the district pursuant to Article 8 (commencing with Section 46200) of Chapter 2 of Part 26 for the prior fiscal year.

(2) The percentage change in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year.

(b) This section shall become operative July 1, 1984.

SEC. 3. Section 42239 of the Education Code is amended to read:

42239. For the 1984–85 fiscal year and each fiscal year thereafter, the county superintendent shall compute an amount for each school district's summer school attendance in the following manner:

(a) Divide the amount received on account of average daily attendance pursuant to Section 42238.6 in the 1983–84 fiscal year by the 1983–84 fiscal year hours of attendance. This amount shall be increased annually by the percentage increase granted to school districts for base revenue limit increases.

(b) Multiply the amount computed in subdivision (a) by the lesser of the 1983–84 fiscal year hours of summer school attendance or the actual fiscal year hours of summer school attendance computed pursuant to paragraph (1) of subdivision (d).

(c) If the fiscal year hours of summer school attendance computed pursuant to subdivision (d) exceed the hours of summer school attendance specified in subdivision (b), multiply the increased hours by one dollar and fifty cents ($1.50). This amount shall be increased annually by the percentage increase granted to school districts for base revenue limit increases.

(d) Commencing in the 1984–85 fiscal year, summer school attendance shall be the sum of paragraphs (1) and (2):

(1) The hours of attendance in the categories identified in Section 42238.6 as it read in the 1983–84 fiscal year.

(2) Any summer school hours of attendance for mathematics, science, or other core academic areas designated by the Superintendent of Public Instruction.

(e) (1) A school district's maximum entitlement for reimbursement for pupil attendance in summer school programs offered pursuant to paragraph (2) of subdivision (d) shall be an amount equal to 5 percent of the district's total enrollment for the prior fiscal year times 120 hours, times the hourly rate for the current fiscal year determined pursuant to subdivision (c).

(2) A district may enroll more than 5 percent of its students, or may enroll students for more than 120 hours per year in summer school programs offered pursuant to paragraph (2) of subdivision (d), as long as the total state apportionment to the district for those programs does not exceed the amount computed pursuant to paragraph (1). A district shall earn its entitlement at the per pupil hourly rate pursuant to subdivision (c).

SEC. 4. (a) On July 1, 1984, in addition to all other funds appropriated, there is hereby appropriated from the General Fund to Section A of the State School Fund the sum of forty-one million dollars ($41,000,000) for the 1984–85 fiscal year, for apportionment to school districts by the Superintendent of Public Instruction for summer school funding during the 1984–85 fiscal year as follows:

(1) Thirty-eight million dollars ($38,000,000) for funding of summer school programs for instruction in mathematics, science, or other core academic areas designated by the Superintendent of Public Instruction, pursuant to Section 42239 of the Education Code.

(2) Three million dollars ($3,000,000) for funding summer school

teacher training and staff development programs conducted pursuant to Section 37253 of the Education Code. The Superintendent of Public Instruction shall first allocate these funds to school districts applying for grants for teacher training and staff development programs. The superintendent shall allocate any remaining funds to teacher education and computer centers for the operation of teacher training and staff development programs provided for the purpose of improving summer school instruction in mathematics, science, or other core academic areas designated by the Superintendent of Public Instruction.

(b) Funds appropriated by this section may be used for summer school programs which begin after June 1, 1984, and for programs operated pursuant to subdivision (b) of Section 37253 which begin after June 1, 1984.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide sufficient funding for summer school programs in the 1984–85 fiscal year, and to permit the orderly implementation of those programs, it is necessary that this act take effect immediately.

CHAPTER 98

An act to add Article 5.3 (commencing with Section 5241) to Chapter 7 of Division 2 of the Public Utilities Code, relating to carriers.

[Approved by Governor April 28, 1984. Filed with Secretary of State April 30, 1984]

The people of the State of California do enact as follows:

SECTION 1. Article 5.3 (commencing with Section 5241) is added to Chapter 7 of Division 2 of the Public Utilities Code, to read:

Article 5.3. Delivery and Claims

5241. No claim against a household goods carrier for loss or damage of goods shall be denied solely because the lost or damaged goods were not noted at the time of delivery. Whenever a household goods carrier requires a signed statement acknowledging delivery and receipt of goods, the statement shall not include any representation that the goods were delivered in satisfactory condition, but shall include a notice that the shipper may file a claim with the carrier for lost or damaged goods.

SEC. 2. No appropriation is made and no reimbursement is

required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 99

An act to add and repeal Section 19549.8 of the Business and Professions Code, relating to horseracing, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 28, 1984. Filed with Secretary of State April 30, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 19549.8 is added to the Business and Professions Code, to read:

19549.8. Notwithstanding Section 19414.5, the board may allocate racing weeks consisting of less than five racing days to an association conducting racing meetings pursuant to Section 19549.1, 19549.6, or 19549.7 if the association and the organization representing the horsemen agree to the allocation.

This section shall remain in effect only until January 1, 1986, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1986, deletes or extends that date.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to continue to provide horseracing meetings that will maximize revenues to the state, it is necessary that this act take effect immediately.

CHAPTER 100

An act to amend Section 36516 of, and to repeal Sections 36514 and 36516.2 of, the Government Code, relating to local government.

[Approved by Governor April 28, 1984 Filed with Secretary of State April 30, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 36514 of the Government Code is repealed.

SEC. 2. Section 36516 of the Government Code is amended to read:

36516. (a) A city council may enact an ordinance providing that each member of the city council shall receive a salary, the amount of which shall be determined by the following schedule:

(1) In cities up to and including 35,000 in population, up to and including three hundred dollars ($300) per month;

(2) In cities over 35,000 up to and including 50,000 in population, up to and including four hundred dollars ($400) per month;

(3) In cities over 50,000 up to and including 75,000 in population, up to and including five hundred dollars ($500) per month.

(4) In cities over 75,000 up to and including 150,000 in population, up to and including six hundred dollars ($600) per month.

(5) In cities over 150,000 up to and including 250,000 in population, up to and including eight hundred dollars ($800) per month.

(6) In cities over 250,000 population, up to and including one thousand dollars ($1,000) per month.

For the purposes of this section the population shall be determined by the last preceding federal census, or a subsequent census, or estimate validated by the Department of Finance.

(b) At any municipal election, the question of whether city council members shall receive compensation for services, and the amount of compensation, may be submitted to the electors. If a majority of the electors voting at the election favor it, all of the council members shall receive the compensation specified in the election call. Compensation of council members may be increased beyond the amount provided in this section or decreased below the amount in the same manner.

(c) Compensation of council members may be increased beyond the amount provided in this section by an ordinance or by an amendment to an ordinance but the amount of the increase may not exceed an amount equal to 5 percent for each calendar year from the operative date of the last adjustment of the salary in effect when the ordinance or amendment is enacted. No salary ordinance shall be enacted or amended which provides for automatic future increases in salary.

(d) Any amounts paid by a city for retirement, health and welfare, and federal social security benefits shall not be included for purposes

of determining salary under this section provided the same benefits are available and paid by the city for its employees.

SEC. 3. Section 36516.2 of the Government Code is repealed.

SEC. 4. In enacting this act it is the intent of the Legislature in the repeal of Sections 36514 and 36516.2, and in the amendment of Section 36516, of the Government Code relating to the salaries of city council members not to invalidate the payment of compensation to city council members approved by the electorate before January 1, 1985, as those sections existed before that date. Any past or future payment of compensation pursuant to those sections is hereby confirmed, validated, and declared legally effective.

CHAPTER 101

An act to amend Sections 17537 and 17539.1 of, and to add Section 17537.1 to, the Business and Professions Code, relating to contests.

[Approved by Governor April 28, 1984. Filed with Secretary of State April 30, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 17537 of the Business and Professions Code is amended to read:

17537. It is unlawful to notify any person by any means, as a part of an advertising plan or program, that he or she has won a prize or will receive a gift and that as a condition of receiving such prize or gift he or she must pay any money or purchase or rent any goods or services. Any violation of the provisions of this section is a misdemeanor punishable by imprisonment in the county jail not exceeding six months, or by a fine not exceeding two thousand five hundred dollars ($2,500), or by both.

SEC. 2. Section 17537.1 is added to the Business and Professions Code, to read:

17537.1. (a) It is unlawful for any person by any means, as part of an advertising plan or program, to offer any item, including any prize, gift, money, or other item of value, as an inducement to the recipient to visit a location, attend a sales presentation, or contact a sales agent, unless the person clearly and conspicuously discloses in writing, in the offer, in readily understandable language, each of the following:

(1) The name and street address of the owner of the real or personal property or the provider of the services which are the subject of the visit, sales presentation, or contact with a sales agent.

(2) A general description of the business of the owner or provider identified pursuant to paragraph (1), and the purpose of any requested visit, sales presentation, or contact with sales agent, which shall include a general description of the real or personal property

or services which are the subject of the sales presentation.

(3) A statement of the odds, in Arabic numerals, of receiving each item offered.

(4) All restrictions, qualifications, and other conditions which must be satisfied before the recipient is entitled to receive the item, including but not limited to:

(A) Any deadline by which the recipient must visit the location, attend the sales presentation, or contact the sales agent in order to receive an item.

(B) The approximate duration of any visit and sales presentation.

(C) Any other conditions, such as a minimum age qualification, a financial qualification, or a requirement that if the recipient is married both husband and wife must be present in order to receive the item. Any financial qualifications shall be stated with a specificity sufficient to enable the recipient to reasonably determine his or her eligibility.

(5) A statement that the owner or provider identified pursuant to paragraph (1) reserves the right to provide a raincheck, or a substitute or like item, if those rights are reserved.

(6) A statement that a recipient who receives an offered item may request and will receive evidence showing that the item provided matches the item randomly or otherwise selected for distribution to that recipient.

(7) All other rules, terms, and conditions of the offer, plan, or program.

(b) It is unlawful for any person making an offer subject to subdivision (a), or any employee or agent thereof, to offer any item when such person knows or has reason to know that the offered item will not be available in a sufficient quantity based upon the reasonably anticipated response to the offer.

(c) It is unlawful for any person making an offer subject to subdivision (a), or any employee or agent thereof, to fail to provide any offered item which any recipient who has responded to the offer in the manner specified therein, who has performed the requirements disclosed therein, and who has met the qualifications described therein, is entitled to receive, unless the offered item is not reasonably available and the offer discloses the reservation of a right to provide a raincheck, or a like or substitute item, if the offered item is unavailable.

(d) If the person making an offer subject to subdivision (a) is unable to provide an offered item because of limitations of supply, quantity, or quality that were not reasonably foreseeable or controllable by the person making the offer, the person making the offer shall inform the recipient of the recipient's right to receive a raincheck for the item offered, unless the person making the offer knows or has reasonable basis for knowing that the item will not be reasonably available and shall inform the recipient of the recipient's right to at least one of the following additional options:

(1) The person making the offer will provide a like item of

equivalent or greater retail value or a raincheck therefor.

(2) The person making the offer will provide a substitute item of equivalent or greater retail value.

(3) The person making the offer will provide a raincheck for the like or substitute item.

(e) If a raincheck is provided, the person making an offer subject to subdivision (a) shall, within a reasonable time, and in no event later than 80 days, deliver the agreed item to the recipient's address without additional cost or obligation to the recipient, unless the item for which the raincheck is provided remains unavailable because of limitations of supply, quantity, or quality not reasonably foreseeable or controllable by the person making the offer. In that case, the person making the offer shall, not later than 30 days after the expiration of the 80 days, deliver a like item of equal or greater retail value or, if an item is not reasonably available to the person making the offer, a substitute item of equal or greater retail value.

(f) Upon the request of a recipient who has received or claims a right to receive any offered item, the person making an offer subject to subdivision (a) shall furnish to the person sufficient evidence showing that the item provided matches the item randomly or otherwise selected for distribution to that recipient.

(g) It is unlawful for any person making an offer subject to subdivision (a), or any employee or agent thereof, to:

(1) Misrepresent the size, quantity, identity, or qualities of any prize, gift, money, or other item of value offered.

(2) Misrepresent in any manner the odds of receiving any particular gift, prize, amount of money, or other item of value.

(3) Represent directly or by implication that the number of participants has been significantly limited or that any person has been selected to receive a particular prize, gift, money, or other item of value, unless that is the fact.

(4) Label any offer a notice of termination or notice of cancellation.

(5) Misrepresent, in any manner, the offer, plan, or program.

(h) If the major prizes, gifts, money, or other items of value are awarded or given at random, by the assignment of a number to the items, that number shall be actually assigned by the party contractually responsible for doing so. The person making an offer subject to subdivision (a) hereof, or the agent, employee, or independent contractor employed or authorized by that person, if any, shall maintain, for a period of one year after the date the offer is made, the records that show that the winning numbers or opportunity to receive the major prizes, gifts, money, or other items of value have been deposited in the mail or otherwise made available to recipients in accordance with the odds statement provided pursuant to paragraph (3) of subdivision (a) hereof. The records shall be made available to the Attorney General within 30 days after written request therefor. Postal receipt records, affidavits of mailing, or a list of winners or recipients of the major prizes shall be deemed

to satisfy the requirements of this section.

SEC. 3. Section 17539.1 of the Business and Professions Code is amended to read:

17539.1. (a) The following unfair acts or practices undertaken by, or omissions of, any person in the operation of any contest are prohibited:

(1) Failing to clearly and conspicuously disclose, at the time of the initial contest solicitation, at the time of each pre-contest promotional solicitation and each time the payment of money is required to become or to remain a contestant, the total number of contestants anticipated based on prior experience and the percentages of contestants correctly solving each puzzle used in the three most recently completed contests conducted by the person. If the person has not operated or promoted three contests he shall disclose for each prior contest if any, the information required by this section.

(2) Failing to promptly send to each member of the public upon his request, the actual number and percentage of contestants correctly solving each puzzle or game in the contest most recently completed.

(3) Misrepresenting in any manner the odds of winning any prize.

(4) Misrepresenting in any manner, the rules, terms, or conditions of participation in a contest.

(5) Failing to clearly and conspicuously disclose with all contest puzzles and games and with all promotional puzzles and games all of the following:

(A) The maximum number of puzzles or games which may be necessary to complete the contest and determine winners.

(B) The maximum amount of money which a participant may be asked to pay to win each of the contest prizes then offered.

(C) That future puzzles or games, if any, or tie breakers, if any, will be significantly more difficult than the initial puzzle.

(D) The date or dates on or before which the contest will terminate and upon which all prizes will be awarded.

(E) The method of determining prizewinners if a tie remains after the last tie breaker puzzle is completed.

(F) All rules, regulations, terms, and conditions of the contest.

(6) Failing to clearly and conspicuously disclose the exact nature and approximate value of the prizes when offered.

(7) Failing to award and distribute all prizes of the value and type represented.

(8) Representing directly or by implication that the number of participants has been significantly limited, or that any particular person has been selected to win a prize unless such is the fact.

(9) Representing directly or by implication that any particular person has won any money, prize, thing, or other value in a contest unless there has been a real contest in which a meaningful percentage, which shall be at least a majority, of the participants in such contests have failed to win a prize, money, thing, or other value.

(10) Representing directly or by implication that any particular person has won any money, prize, thing, or other value without disclosing the exact nature and approximate value thereof.

(11) Using the word "lucky" to describe any number, ticket, coupon, symbol, or other entry, or representing in any other manner directly or by implication that any number, ticket, coupon, symbol, or other entry confers or will confer an advantage upon the recipient that other recipients will not have, that the recipient is more likely to win a prize than are others, or that the number, ticket, coupon, symbol or other entry has some value that other entries do not have.

(12) Failing to obtain the express written or oral consent of individuals before their names are used for a promotional purpose in connection with a mailing to a third person.

(13) Using or distributing simulated checks, currency, or any simulated item of value unless there is clearly and conspicuously printed thereon the words: SPECIMEN—NONNEGOTIABLE.

(14) Representing, directly or by implication, orally or in writing, that any tie breaker puzzle may be entered upon the payment of money qualifying the contestant for an extra cash or any other type prize or prizes unless:

(A) It is clearly and conspicuously disclosed that such payments are optional and that contestants are not required to pay money to play for an extra cash or any other type of prize or prizes; and

(B) Contestants are clearly and conspicuously given the opportunity to indicate they wish to enter such phase of the contest for free. The contestants' opportunity to indicate they wish to enter for free shall be in immediate conjunction with and in a like manner as the contestants' opportunity to indicate they wish to play for an extra prize.

(b) This section does not apply to an advertising plan or program that is regulated by, and complies with, the requirements of Section 17537.1.

SEC. 4. No appropriation is made by this act pursuant to Section 2231 or 2234 of the Revenue and Taxation Code or Section 6 of Article XIII B of the California Constitution because the only costs which may be incurred by a local agency or school district will be because this act creates a new crime or infraction or eliminates a crime or infraction. Furthermore, this act does not create any present or future obligation to reimburse any local agency or school district for any costs incurred because of this act.

CHAPTER 102

An act to amend Sections 66451.11, 66451.12, 66451.13, 66451.14, 66451.15, 66451.16, 66451.17, 66451.18, 66451.19, 66451.30, 66451.31, 66451.32, and 66451.33 of, and to repeal Sections 66451.25, 66451.26, 66451.27, 66451.28, and 66451.29 of the Government Code, relating to

real property, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 28, 1984. Filed with Secretary of State April 30, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 66451.11 of the Government Code is amended to read:

66451.11. A local agency may, by ordinance which conforms to and implements the procedures prescribed by this article, provide for the merger of a parcel or unit with a contiguous parcel or unit held by the same owner if any one of the contiguous parcels or units held by the same owner does not conform to standards for minimum parcel size, under the zoning ordinance of the local agency applicable to the parcels or units of land and if all of the following requirements are satisfied:

(a) At least one of the affected parcels is undeveloped by any structure for which a building permit was issued or for which a building permit was not required at the time of construction, or is developed only with an accessory structure or accessory structures, or is developed with a single structure, other than an accessory structure, that is also partially sited on a contiguous parcel or unit.

(b) With respect to any affected parcel, one or more of the following conditions exists:

(1) Comprises less than 5,000 square feet in area at the time of the determination of merger.

(2) Was not created in compliance with applicable laws and ordinances in effect at the time of its creation.

(3) Does not meet current standards for sewage disposal and domestic water supply.

(4) Does not meet slope stability standards.

(5) Has no legal access which is adequate for vehicular and safety equipment access and maneuverability.

(6) Its development would create health or safety hazards.

(7) Is inconsistent with the applicable general plan and any applicable specific plan, other than minimum lot size or density standards.

The ordinance may establish the standards specified in paragraphs (3) to (7), inclusive, which shall be applicable to parcels to be merged.

For purposes of determining whether contiguous parcels are held by the same owner, ownership shall be determined as of the date that notice of intention to determine status is recorded.

This subdivision shall not apply if one of the following conditions exist:

(A) On or before July 1, 1981, one or more of the contiguous parcels or units of land is enforceably restricted open-space land

pursuant to a contract, agreement, scenic restriction, or open-space easement, as defined and set forth in Section 421 of the Revenue and Taxation Code.

(B) On July 1, 1981, one or more of the contiguous parcels or units of land is timberland as defined in subdivision (f) of Section 51100, or is land devoted to an agricultural use as defined in subdivision (b) of Section 51201.

(C) On July 1, 1981, one or more of the contiguous parcels or units of land is located within 2,000 feet of the site on which an existing commercial mineral resource extraction use is being made, whether or not the extraction is being made pursuant to a use permit issued by the local agency.

(D) On July 1, 1981, one or more of the contiguous parcels or units of land is located within 2,000 feet of a future commercial mineral extraction site as shown on a plan for which a use permit or other permit authorizing commercial mineral resource extraction has been issued by the local agency.

(E) Within the coastal zone, as defined in Section 30103 of the Public Resources Code, one or more of the contiguous parcels or units of land has, prior to July 1, 1981, been identified or designated as being of insufficient size to support residential development and where the identification or designation has either (i) been included in the land use plan portion of a local coastal program prepared and adopted pursuant to the California Coastal Act of 1976 (Division 20 of the Public Resources Code), or (ii) prior to the adoption of a land use plan, been made by formal action of the California Coastal Commission pursuant to the provisions of the California Coastal Act of 1976 in a coastal development permit decision or in an approved land use plan work program or an approved issue identification on which the preparation of a land use plan pursuant to the provisions of the California Coastal Act is based.

For purposes of paragraphs (C) and (D) of this subdivision, "mineral resource extraction" means gas, oil, hydrocarbon, gravel, or sand extraction, geothermal wells, or other similar commercial mining activity.

SEC. 1.2. Section 66451.12 of the Government Code is amended to read:

66451.12. A merger of parcels becomes effective when the local agency causes to be filed for record with the recorder of the county in which the real property is located, a notice of merger specifying the names of the record owners and particularly describing the real property.

SEC. 1.3. Section 66451.13 of the Government Code is amended to read:

66451.13. Prior to recording a notice of merger, the local agency shall cause to be mailed by certified mail to the then current record owner of the property a notice of intention to determine status, notifying the owner that the affected parcels may be merged pursuant to standards specified in the merger ordinance, and

advising the owner of the opportunity to request a hearing on determination of status and to present evidence at the hearing that the property does not meet the criteria for merger. The notice of intention to determine status shall be filed for record with the recorder of the county in which the real property is located on the date that notice is mailed to the property owner.

SEC. 1.4. Section 66451.14 of the Government Code is amended to read:

66451.14. At any time within 30 days after recording of the notice of intention to determine status, the owner of the affected property may file with the local agency a request for a hearing on determination of status.

SEC. 1.5. Section 66451.15 of the Government Code is amended to read:

66451.15. Upon receiving a request for a hearing on determination of status, the local agency shall fix a time, date, and place for a hearing to be conducted by the legislative body or an advisory agency, and shall so notify the property owner by certified mail. The hearing shall be conducted not less than 30 days following the local agency's receipt of the property owner's request therefor, but may be postponed or continued with the mutual consent of the local agency and the property owner.

SEC. 1.6. Section 66451.16 of the Government Code is amended to read:

66451.16. At the hearing, the property owner shall be given the opportunity to present any evidence that the affected property does not meet the standards for merger specified in the merger ordinance.

At the conclusion of the hearing, the local agency shall make a determination that the affected parcels are to be merged or are not to be merged and shall so notify the owner of its determination. If the merger ordinance so provides, a determination of nonmerger may be made whether or not the affected property meets the standards for merger specified in Section 66451.11. A determination of merger shall be recorded within 30 days after conclusion of the hearing, as provided for in Section 66451.12.

SEC. 1.7. Section 66451.17 of the Government Code is amended to read:

66451.17. If, within the 30-day period specified in Section 66451.14, the owner does not file a request for a hearing in accordance with Section 66451.16, the local agency may, at any time thereafter, make a determination that the affected parcels are to be merged or are not to be merged. A determination of merger shall be recorded as provided for in Section 66451.12 no later than 90 days following the mailing of notice required by Section 66451.15.

SEC. 1.8. Section 66451.18 of the Government Code is amended to read:

66451.18. If, in accordance with Section 66451.16 or 66451.17, the local agency determines that the subject property shall not be

merged, it shall cause to be recorded in the manner specified in Section 66451.12 a release of the notice of intention to determine status, recorded pursuant to Section 66451.13, and shall mail a clearance letter to the then current owner of record.

SEC. 2. Section 66451.19 of the Government Code is amended to read:

66451.19. (a) A city or county shall no later than January 1, 1986, record a notice of merger for any parcel merged prior to January 1, 1984. After January 1, 1986, no parcel merged prior to January 1, 1984, shall be considered merged unless such notice of merger has been recorded prior to January 1, 1986.

(b) Notwithstanding the provisions of Sections 66451.12 to 66451.18, inclusive, a city or county having a merger ordinance in existence on January 1, 1984, may, until July 1, 1984, continue to effect the merger of parcels pursuant to that ordinance, unless the parcels would be deemed not to have merged pursuant to the criteria specified in Section 66451 30. The local agency shall record a notice of merger for any parcels merged pursuant to that ordinance.

(c) At least 30 days prior to recording a notice of merger pursuant to subdivision (a) or (b), the local agency shall advise the owner of the affected parcels, in writing, of the intention to record the notice and specify a time, date, and place at which the owner may present evidence to the legislative body or advisory agency as to why such notice should not be recorded.

(d) The failure of a local agency to comply with the requirements of this article for the merger of contiguous parcels or units of land held in common ownership shall render void and ineffective any resulting merger or recorded notice of merger and no further proceedings under the provisions of this division or a local ordinance enacted pursuant thereto shall be required for the purpose of sale, lease, or financing of such contiguous parcels or units, or any of them, until such time as the parcels or units of land have been lawfully merged by subsequent proceedings initiated by the local agency which meet the requirements of this article.

(e) The failure of a local ageny to comply with the requirements of any prior law establishing requirements for the merger of contiguous parcels or units of land held in common ownership, shall render voidable any resulting merger or recorded notice of merger. From and after the date the local agency determines that its actions did not comply with the prior law, or a court enters a judgment declaring that the actions of the agency did not comply with the prior law, no further proceedings under the provisions of this division or a local ordinance enacted pursuant thereto shall be required for the purpose of sale, lease, or financing of such contiguous parcels or units, or any of them, until such time as the parcels or units of land have been lawfully merged by subsequent proceedings initiated by the local agency which meet the requirements of this article.

SEC. 2.1. Section 66451.25 of the Government Code is repealed.

SEC. 2.2. Section 66451.26 of the Government Code is repealed.

SEC. 2.3. Section 66451.27 of the Government Code is repealed.

SEC. 2.4. Section 66451.28 of the Government Code is repealed.

SEC. 2.5. Section 66451.29 of the Government Code is repealed.

SEC. 3. Section 66451.30 of the Government Code is amended to read:

66451.30. Any parcels or units of land for which a notice of merger had not been recorded on or before January 1, 1984, shall be deemed not to have merged if on January 1, 1984:

(a) The parcel meets each of the following criteria:

(1) Comprises at least 5,000 square feet in area.

(2) Was created in compliance with applicable laws and ordinances in effect at the time of its creation.

(3) Meets current standards for sewage disposal and domestic water supply.

(4) Meets slope density standards.

(5) Has legal access which is adequate for vehicular and safety equipment access and maneuverability.

(6) Development of the parcel would create no health or safety hazards.

(7) The parcel would be consistent with the applicable general plan and any applicable specific plan, other than minimum lot size or density standards.

(b) And, with respect to such parcel, none of the following conditions exist:

(1) On or before July 1, 1981, one or more of the contiguous parcels or units of land is enforceably restricted open-space land pursuant to a contract, agreement, scenic restriction, or open-space easement, as defined and set forth in Section 421 of the Revenue and Taxation Code.

(2) On July 1. 1981, one or more of the contiguous parcels or units of land is timberland as defined in subdivision (f) of Section 51100, or is land devoted to an agricultural use as defined in subdivision (b) of Section 51201.

(3) On July 1, 1981, one or more of the contiguous parcels or units of land is located within 2,000 feet of the site on which an existing commercial mineral resource extraction use is being made, whether or not the extraction is being made pursuant to a use permit issued by the local agency.

(4) On July 1, 1981, one or more of the contiguous parcels or units of land is located within 2,000 feet of a future commercial mineral extraction site as shown on a plan for which a use permit or other permit authorizing commercial mineral resource extraction has been issued by the local agency.

(5) Within the coastal zone, as defined in Section 30103 of the Public Resources Code, one or more of the contiguous parcels or units of land has, prior to July 1, 1981, been identified or designated as being of insufficient size to support residential development and where the identification or designation has either (A) been included in the land use plan portion of a local coastal program prepared and

adopted pursuant to the California Coastal Act of 1976 (Division 20 of the Public Resources Code), or (B) prior to the adoption of a land use plan, been made by formal action of the California Coastal Commission pursuant to the provisions of the California Coastal Act of 1976 in a coastal development permit decision or in an approved land use plan work program or an approved issue identification on which the preparation of a land use plan pursuant to the provisions of the California Coastal Act is based.

For purposes of paragraphs (3) and (4), "mineral resource extraction" means gas, oil, hydrocarbon, gravel, or sand extraction, geothermal wells, or other similar commercial mining activity.

Each city or county, as applicable, may establish the standards specified in paragraphs (3) to (7), inclusive, of subdivision (a), which shall be applicable to parcels deemed not to have merged pursuant to this section.

SEC. 4. Section 66451.31 of the Government Code is amended to read:

66451.31. Upon application made by the owner and payment of any fees authorized by Section 66451.33, the local agency shall make a determination that the affected parcels have merged or, if meeting the criteria of Section 66451.30, are deemed not to have merged.

SEC. 5. Section 66451.32 of the Government Code is amended to read:

66451.32. (a) Upon a determination that the parcels meet the standards specified in Section 66451.30, the local agency shall issue to the owner and record with the county recorder a notice of the status of the parcels which shall identify each parcel and declare that the parcels are unmerged pursuant to this article.

(b) Upon a determination that the parcels have merged and do not meet the criteria specified in Section 66451.30, the local agency shall issue to the owner and record with the county recorder, a notice of merger as provided in Section 66451.12.

SEC. 5.5. Section 66451.33 of the Government Code is amended to read:

66451.33. A city or county may impose a fee not to exceed those permitted by Chapter 13 (commencing with Section 54990) of Part 1, payable by the owner, for those costs incurred with respect to a parcel for which application for a determination that the parcels meet the criteria of Section 66451.30 is made.

SEC. 5.6. It is the intent of the Legislature, in amending the first paragraph of Section 66451.11 of the Government Code, to restore the preexisting requirement of law that established as a necessary precondition for a merger of contiguous parcels or units of land held in common ownership the requirement that one or more of the parcels or units of land not conform to standards for minimum parcel size to permit use or development under the zoning ordinance of the local agency applicable to any such parcels or units of land. The restoration of this requirement is intended to correct its inadvertent deletion in Chapter 845 of the Statutes of 1983 and shall therefore be

construed as not constituting a change in, but, as declaratory of preexisting law.

It is further the intent of the Legislature in repealing Sections 66451.25 to 66451.29, inclusive, and in amending Section 66451.19, of the Government Code, to relieve counties of the obligation to mail a general notice of potential mergers, in that specific notices are required to be given pursuant to Sections 66451.13 and 66451.19 of the Government Code, as amended by this act.

It is also the intent of the Legislature in eliminating the delayed operative date of July 1, 1984, formerly contained in Sections 66451.11 to 66451.18, inclusive, of the Government Code, that a local agency may adopt a merger ordinance which complies with these provisions, and which may then become effective on or after the effective date of this act, rather than on or after July 1, 1984.

SEC. 6. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act.

SEC. 7. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

This act would clarify the provisions of Chapter 845 of the Statutes of 1983 relating to merger so that local agencies have clear direction regarding the implementation of that chapter and can proceed to merge or unmerge parcels according to the deadlines imposed by that chapter.

CHAPTER 103

An act to amend Sections 15611, 15612, 15621, 15622, 15624, 15631, 15632, 15636, 15637, 15641, 15653, 15654, 15685, and 15800 of the Corporations Code, and to amend Section 17900 of the Business and Professions Code, relating to limited partnerships, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 29, 1984. Filed with Secretary of State April 30, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 15611 of the Corporations Code is amended to read:

15611. As used in this chapter, unless the context otherwise requires:

(a) "Acknowledged" means that an instrument is either of the

following:

(1) Formally acknowledged as provided in Article 3 (commencing with Section 1180) of Chapter 4 of Title 4 of Part 4 of Division 2 of the Civil Code.

(2) Executed to include substantially the following wording preceding the signature: It is hereby declared that I am the person who executed this instrument, which execution is my act and deed.

Any certificate of acknowledgment taken without this state before a notary public or a judge or clerk of a court of record having an official seal need not be further authenticated.

(b) "Capital account" of a partner, unless otherwise provided in the partnership agreement, means the amount of the capital interest of that partner in the partnership consisting of that partner's original contribution, as (1) increased by any additional contributions and by that partner's share of the partnership's profits and (2) decreased by any distribution to that partner and by that partner's share of the partnership's losses.

(c) "Certificate of limited partnership" or "certificate" means the certificate referred to in Section 15621, including all amendments thereto.

(d) "Contribution" means any money, property or services rendered, or a promissory note or other binding obligation to contribute money or property, or to render services as permitted in this chapter, which a partner contributes to a limited partnership as capital in that partner's capacity as a partner pursuant to an agreement between the partners, including an agreement as to value.

(e) "Distribution" means the transfer of money or property by a partnership to its partners without consideration.

(f) "Foreign limited partnership" means a partnership formed under the laws of any state other than this state or under the laws of a foreign country and having as partners one or more general partners and one or more limited partners (or their equivalents under any name).

(g) "General partner" means a person who has been admitted to a limited partnership as a general partner in accordance with the partnership agreement or a person who has been admitted as a general partner pursuant to Section 15641.

(h) "Interests of limited partners" means the aggregate interests of all limited partners in their respective capacities as limited partners in the current profits derived from business operations of the partnership.

(i) "Limited partner" means a person who has been admitted to a limited partnership as a limited partner in accordance with the partnership agreement, or an assignee of a limited partnership interest who has become a limited partner pursuant to Section 15674, or, to the extent provided in subdivision (b) of Section 15662, a former general partner who has ceased to be a general partner.

(j) "Limited partnership" and "domestic limited partnership"

mean a partnership formed by two or more persons under the laws of this state and having one or more general partners and one or more limited partners.

(k) "Mail," unless otherwise provided in the partnership agreement, means first-class mail, postage prepaid, unless registered mail is specified. Registered mail includes certified mail.

(*l*) "Majority-in-interest of the limited partners," unless otherwise provided in the partnership agreement, means more than 50 percent of the interests of limited partners.

(m) "Partner" means a limited or general partner. "Partner of record" means a partner named as a partner on the list maintained in accordance with subdivision (a) of Section 15615.

(n) "Partnership agreement" means any valid written agreement of the partners as to the affairs of a limited partnership and the conduct of its business, including all amendments thereto.

(o) "Person" means an individual, partnership, limited partnership (domestic or foreign), trust, estate, association, corporation, or other entity.

(p) "Proxy" means a written authorization signed by a partner or the partner's attorney-in-fact giving another person the power to vote with respect to the interest of that partner. "Signed," for the purpose of this section, means the placing of the partner's name on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the partner or partner's attorney-in-fact.

(q) "Return of capital," unless otherwise provided in the partnership agreement, means any distribution to a partner to the extent that the partner's capital account, immediately after the distribution, is less than the amount of that partner's contributions to the partnership as reduced by prior distributions which were a return of capital.

(r) "State" means a state, territory, or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

(s) "Time a notice is given or sent," unless otherwise expressly provided, means the time a written notice to a partner or the limited partnership is deposited in the United States mails; or the time any other written notice is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, to the recipient; or the time any oral notice is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the recipient.

SEC. 2. Section 15612 of the Corporations Code is amended to read:

15612. The name of each limited partnership as set forth in its certificate of limited partnership:

(a) Shall contain without abbreviation the words "a California

limited partnership" at the end of its name.

(b) May not contain the name of a limited partner unless (1) it is also the name of a general partner or the corporate name of a corporate general partner, or (2) the business of the limited partnership had been carried on under that name before the admission of that limited partner.

(c) May not be the same as, or resemble so closely as to tend to deceive (1) a name which is under reservation for another limited partnership pursuant to Section 15613 or (2) the name of any limited partnership which has previously filed a certificate pursuant to Section 15621 or of a foreign limited partnership registered pursuant to Section 15692, except that a limited partnership may adopt a name that is substantially the same as that of an existing domestic limited partnership or foreign limited partnership which is registered pursuant to Section 15692, upon proof of consent by such domestic limited partnership or foreign limited partnership and a finding by the Secretary of State that under the circumstances the public is not likely to be misled.

(d) May not contain the words "bank," "insurance," "trust," or "trustee."

(e) The use by a limited partnership or a foreign limited partnership of a name in violation of this section may be enjoined notwithstanding the filing of its certificate of limited partnership or its registration with the Secretary of State.

SEC. 3. Section 15621 of the Corporations Code is amended to read:

15621. (a) In order to form a limited partnership the partners shall execute a partnership agreement and the general partners shall execute, acknowledge and file a certificate of limited partnership. The certificate shall be filed in the office of, and on a form prescribed by, the Secretary of State and shall set forth all of the following:

(1) The name of the limited partnership.

(2) (A) The street address of the principal executive office.

(B) If the principal executive office is not in this state, the street address of an office in this state.

(3) The names and addresses of the general partners.

(4) The name and address of the agent for service of process required to be maintained by Section 15614, unless a corporate agent is designated, in which case only the name of such agent shall be set forth.

(5) The term for which the partnership is to exist.

(6) Any other matters the general partners determine to include.

(b) A limited partnership is formed at the time of the filing of the certificate of limited partnership in the office of the Secretary of State.

(c) For all purposes, a copy of the certificate of limited partnership duly certified by the Secretary of State is conclusive evidence of the formation of a limited partnership and prima facie evidence of its existence.

(d) A limited partnership may record in the office of the county recorder of any county in this state a certified copy of the certificate of limited partnership, or any amendment thereto, which has been filed in the office of the Secretary of State. A foreign limited partnership may record in the office of the county recorder of any county in the state a certified copy of the application for registration, together with the certificate of registration, referred to in Section 15692, or any amendment thereto, which has been filed in the office of the Secretary of State. The recording shall create a conclusive presumption in favor of any bona fide purchaser or encumbrancer for value of the partnership real property located in the county in which the certified copy has been recorded, that the persons named as general partners therein are the general partners of the partnership named and that they are all of the general partners of the partnership, and the recording shall also create such other presumptions as provided in Section 15010.5.

SEC. 4. Section 15622 of the Corporations Code is amended to read:

15622. (a) A certificate of limited partnership is amended by filing a certificate of amendment thereto executed and acknowledged by all general partners (unless a lesser number is provided in the certificate of limited partnership) in the office of, and on a form prescribed by, the Secretary of State. The certificate of amendment shall set forth all of the following:

(1) The name and the Secretary of State's file number of the limited partnership.

(2) The text of the amendment to the certificate.

(b) The general partners shall cause to be filed, within 30 days after the happening of any of the following events, an amendment to a certificate of limited partnership reflecting the occurrence of any of the following events:

(1) A change in name of the limited partnership.

(2) A change in either of the following:

(A) The street address of the principal executive office.

(B) If the principal executive office is not in this state, the street address of an office in this state.

(3) A change in the address of or the withdrawal of a general partner, or a change in the address of the agent for service of process, unless a corporate agent is designated, or appointment of a new agent for service of process.

(4) The admission of a general partner and that partner's address.

(5) The discovery by any of the general partners of any false or erroneous material statement contained in the certificate or any amendment thereto.

(c) A certificate of limited partnership may also be amended at any time in any other respect that the general partners determine.

(d) Any general partner, or any limited partner executing a certificate pursuant to Section 15633 or a certificate of amendment pursuant to Section 15625 or a certificate of dissolution pursuant to

paragraph (1) of subdivision (a) of Section 15623 or a certificate of cancellation of certificate of limited partnership pursuant to paragraph (1) of subdivision (b) of Section 15623, shall be liable for any statement materially inconsistent with the partnership agreement or any material misstatement of fact contained in any such certificate if the partner knew or should have known that the statement was false when made or became false and an amendment required by subdivision (b) was not filed, and the person suffering the loss relied on the statement or misstatement.

(e) No person has any liability because an amendment to a certificate of limited partnership has not been filed to reflect the occurrence of any event referred to in subdivision (b) if the amendment is filed within the time specified in subdivision (b).

(f) Except as provided in subdivision (d), no limited partner shall incur any liability for any misstatement contained in the certificate or for the failure to file an amendment to a certificate of limited partnership pursuant to subdivision (b).

SEC. 5. Section 15624 of the Corporations Code is amended to read:

15624. (a) Each certificate required by this article to be filed in the office of the Secretary of State shall be executed in the following manner:

(1) A certificate referred to in Section 15621 shall be executed by all general partners, unless filed by a limited partner pursuant to Section 15633.

(2) A certificate of amendment shall be executed by all general partners (or a lesser number provided in the certificate of limited partnership) and by each general partner designated in the certificate as a new partner, unless filed by a limited partner pursuant to Section 15625.

(3) A certificate of dissolution shall be executed by all general partners (or a lesser number provided in the certificate of limited partnership) unless filed by a limited partner pursuant to paragraph (1) of subdivision (a) of Section 15623.

(4) A certificate of cancellation of certificate of limited partnership shall be executed by all general partners (or a lesser number provided in the certificate of limited partnership) unless filed by a limited partner pursuant to paragraph (1) of subdivision (b) of Section 15623.

(5) A certificate filed by a limited partner pursuant to Section 15633 or a certificate of amendment filed by a limited partner pursuant to Section 15625 or a certificate of dissolution filed by a limited partner pursuant to paragraph (1) of subdivision (a) of Section 15623 or a certificate of cancellation of certificate of limited partnership filed by a limited partner pursuant to paragraph (1) of subdivision (b) of Section 15623 shall be signed by the limited partner.

(b) Any person may execute any certificate referred to in this section by an attorney-in-fact.

SEC. 6. Section 15631 of the Corporations Code is amended to read:

15631. (a) After the filing of a certificate referred to in Section 15621, a person may become a limited partner:

(1) In the case of a person acquiring a limited partnership interest directly from the limited partnership, upon the compliance with the partnership agreement or, if the partnership agreement does not so provide, upon the written consent of all of the partners.

(2) In the case of an assignee of a partnership interest, upon compliance with subdivision (a) of Section 15674.

(b) In each case under subdivision (a), the person acquiring the partnership interest shall be added by the general partners as a limited partner to the list required by subdivision (a) of Section 15615.

SEC. 7. Section 15632 of the Corporations Code is amended to read:

15632. (a) Except as provided in subdivision (d), a limited partner is not liable for any obligation of a limited partnership unless named as a general partner in the certificate or, in addition to the exercise of the rights and powers of a limited partner, the limited partner participates in the control of the business. If a limited partner participates in the control of the business without being named as a general partner, that partner is nevertheless not liable to persons who transact business with the limited partnership unless they do so with actual knowledge of that partner's participation in control and reasonably believing that partner to be a general partner.

(b) A limited partner does not participate in the control of the business within the meaning of subdivision (a) solely by doing one or more of the following:

(1) Being a contractor for or an agent or employee of the limited partnership or of a general partner, or an officer, director, or shareholder of a corporate general partner.

(2) Consulting with and advising a general partner with respect to the business of the limited partnership.

(3) Acting as surety for the limited partnership or guaranteeing one or more specific debts of the limited partnership.

(4) Approving or disapproving an amendment to the partnership agreement.

(5) Voting on or calling a meeting of the partners for one or more of the following matters:

(A) The dissolution and winding up of the limited partnership.

(B) The sale, exchange, lease, mortgage, pledge, or other transfer of all or a substantial part of the assets of the limited partnership other than in the ordinary course of its business.

(C) The incurrence of indebtedness by the limited partnership other than in the ordinary course of its business.

(D) A change in the nature of the business.

(E) Transactions in which the general partners have an actual or potential conflict of interest with the limited partners or the

partnership.

(F) The removal of a general partner.

(G) An election to continue the business of the limited partnership other than under the circumstances described in subparagraph (I) or (J) of this paragraph (5).

(H) The admission of a general partner other than under the circumstances described in subparagraph (I) or (J) of this paragraph (5).

(I) The admission of a general partner or an election to continue the business of the limited partnership after a general partner ceases to be a general partner other than by removal where there is no remaining or surviving general partner.

(J) The admission of a general partner or an election to continue the business of the limited partnership after the removal of a general partner where there is no remaining or surviving general partner.

(6) Winding up the partnership pursuant to Section 15683.

(7) Executing and filing a certificate pursuant to Section 15633 or a certificate of amendment pursuant to Section 15625 or a certificate of dissolution pursuant to paragraph (1) of subdivision (a) of Section 15623 or a certificate of cancellation of certificate of limited partnership pursuant to paragraph (1) of subdivision (b) of Section 15623.

(8) Serving on an audit committee or committee performing the functions of an audit committee.

(c) The enumeration in subdivision (b) does not mean that any other conduct or the possession or exercise of any other power by a limited partner constitutes participation by the limited partner in the control of the business of the limited partnership.

(d) A limited partner who knowingly permits that partner's name to be used in the name of the limited partnership, except under circumstances permitted by subdivision (b) of Section 15612, is liable for all obligations of the limited partnership to persons without actual knowledge or notice that the limited partner is not a general partner.

SEC. 8. Section 15636 of the Corporations Code is amended to read:

15636. The rights and duties of the partners in relation to the limited partnership shall be determined, subject to any provision in the partnership agreement to the contrary, by the following rules:

(a) No limited partner shall be required to make any additional contribution to the limited partnership.

(b) Except for distributions made pursuant to Section 15664, no limited partner shall have a priority over any other limited partner, as to return of contributions or as to compensation as a limited partner by way of income.

(c) The obligation of a partner to make a contribution or return money or property distributed in violation of this chapter may be compromised only by the written consent of all the partners.

(d) No limited partner shall have the right to receive property other than money upon any distribution.

(e) A partner may not be compelled to accept a distribution of any asset in kind from a limited partnership in lieu of a proportionate distribution of money being made to other partners.

(f) The limited partners shall have the right to vote on all matters specified in subparagraphs (A) to (G), inclusive, of paragraph (5) of subdivision (b) of Section 15632 and the actions specified therein may be taken by the general partners only with the affirmative vote of a majority in interest of the limited partners.

The limited partners shall also have the right to vote on matters specified in subparagraphs (H) and (I) of paragraph (5) of subdivision (b) of Section 15632. Notwithstanding any other provision of this chapter or any provision of the partnership agreement to the contrary, the actions specified in that subparagraph (H) may only be taken by the affirmative vote of a majority in interest of the limited partners, and the actions specified in that subparagraph (I) may only be taken by the affirmative vote of all of the limited partners.

SEC. 9. Section 15637 of the Corporations Code is amended to read:

15637. (a) Meetings of partners may be held at any place within or without this state as may be stated in or fixed in accordance with the partnership agreement. If no other place is stated or so fixed, partners' meetings shall be held at the principal executive office of the partnership, or if the principal executive office is not in this state, at the street address of an office in this state as set forth in the certificate.

(b) A meeting of the partners may be called by any of the general partners or by limited partners representing more than 10 percent of the interests of limited partners for any matters on which the limited partners may vote.

(c) (1) Whenever partners are required or permitted to take any action at a meeting, a written notice of the meeting shall be given not less than 10, nor more than 60, days before the date of the meeting to each partner entitled to vote at the meeting. The notice shall state the place, date, and hour of the meeting and the general nature of the business to be transacted, and no other business may be transacted.

(2) Notice of a partners' meeting or any report shall be given either personally or by mail or other means of written communication, addressed to the partner at the address of the partner appearing on the books of the partnership or given by the partner to the partnership for the purpose of notice, or, if no address appears or is given, at the place where the principal executive office of the partnership is located or by publication at least once in a newspaper of general circulation in the county in which the principal executive office is located. The notice or report shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by other means of written communication. An affidavit of mailing of any notice or report in accordance with the

provisions of this article, executed by a general partner, shall be prima facie evidence of the giving of the notice or report.

If any notice or report addressed to the partner at the address of the partner appearing on the books of the partnership is returned to the partnership by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice or report to the partner at the address, all future notices or reports shall be deemed to have been duly given without further mailing if they are available for the partner at the principal executive office of the partnership for a period of one year from the date of the giving of the notice or report to all other partners.

(3) Upon written request to the general partners by any person entitled to call a meeting of partners, the general partners immediately shall cause notice to be given to the partners entitled to vote that a meeting will be held at a time requested by the person calling the meeting, not less than 10, nor more than 60, days after the receipt of the request. If the notice is not given within 20 days after receipt of the request, the person entitled to call the meeting may give the notice or, upon the application of such person, the superior court of the county in which the principal executive office of the limited partnership is located, or if the principal executive office is not in this state, the county in which the limited partnership's address in this state is located, shall summarily order the giving of the notice, after notice to the partnership giving it an opportunity to be heard. The procedure provided in subdivision (c) of Section 305 of the Corporations Code shall apply to the application. The court may issue any order as may be appropriate, including, without limitation, an order designating the time and place of the meeting, the record date for determination of partners entitled to vote, and the form of notice.

(d) When a partners' meeting is adjourned to another time or place, unless the partnership agreement otherwise requires and, except as provided in this subdivision, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the partnership may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 45 days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each partner of record entitled to vote at the meeting.

(e) The transactions of any meeting of partners, however called and noticed, and wherever held, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. All waivers, consents, and approvals shall be filed with the partnership

records or made a part of the minutes of the meeting. Attendance of a person at a meeting shall constitute a waiver of notice of the meeting, except when the person objects, at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by this chapter to be included in the notice but not so included, if the objection is expressly made at the meeting. Neither the business to be transacted at nor the purpose of any meeting of partners need be specified in any written waiver of notice, unless otherwise provided in the partnership agreement, except as provided in subdivision (f).

(f) Any partner approval at a meeting, other than unanimous approval by those entitled to vote, pursuant to paragraph (5) of subdivision (b) of Section 15632 shall be valid only if the general nature of the proposal so approved was stated in the notice of meeting or in any written waiver of notice.

(g) (1) Unless otherwise provided in the partnership agreement, a majority in interest of the limited partners represented in person or by proxy shall constitute a quorum at a meeting of partners.

(2) The partners present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment notwithstanding the withdrawal of enough partners to leave less than a quorum, if any action taken (other than adjournment) is approved by the requisite percentage of interests of limited partners specified in this chapter or in the partnership agreement.

(3) In the absence of a quorum, any meeting of partners may be adjourned from time to time by the vote of a majority of the interests represented either in person or by proxy, but no other business may be transacted, except as provided in paragraph (2).

(h) Unless otherwise provided in the partnership agreement, any action which may be taken at any meeting of the partners may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by partners having not less than the minimum number of votes that would be necessary to authorize or take that action at a meeting at which all entitled to vote thereon were present and voted. In the event the limited partners are requested to consent on a matter without a meeting, each partner shall be given notice of the matter to be voted upon in the same manner as described in subdivision (c). In the event any general partner, or limited partners representing more than 10 percent of the interests of the limited partners, request a meeting for the purpose of discussing or voting on the matter, the notice of a meeting shall be given in accordance with subdivision (c) and no action shall be taken until the meeting is held. Unless delayed in accordance with the provisions of the preceding sentence, any action taken without a meeting will be effective 15 days after the required minimum number of voters have signed the consent, however, the action will

be effective immediately if all general partners and limited partners representing at least 90 percent of the interests of the limited partners have signed the consent.

(i) The use of proxies in connection with this section will be governed in the same manner as in the case of corporations formed under the General Corporation Law.

(j) In order that the limited partnership may determine the partners of record entitled to notices of any meeting or to vote, or entitled to receive any distribution or to exercise any rights in respect of any other lawful action, the general partners, or limited partners representing more than 10 percent of the interests of limited partners, may fix, in advance, a record date, which is not more than 60 or less than 10 days prior to the date of the meeting and not more than 60 days prior to any other action. If no record date is fixed:

(1) The record date for determining partners entitled to notice of or to vote at a meeting of partners shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held.

(2) The record date for determining partners entitled to give consent to partnership action in writing without a meeting shall be the day on which the first written consent is given.

(3) The record date for determining partners for any other purpose shall be at the close of business on the day on which the general partners adopt it, or the 60th day prior to the date of the other action, whichever is later.

(4) The determination of partners of record entitled to notice of or to vote at a meeting of partners shall apply to any adjournment of the meeting unless the general partners, or the limited partners who called the meeting, fix a new record date for the adjourned meeting, but the general partners, or the limited partners who called the meeting, shall fix a new record date if the meeting is adjourned for more than 45 days from the date set for the original meeting.

SEC. 10. Section 15641 of the Corporations Code is amended to read:

15641. Unless otherwise provided in the partnership agreement, after the filing of a certificate referred to in Section 15621, a general partner may be admitted only (a) with the written consent of each general partner and such affirmative vote of limited partners as is required in accordance with the provisions of subdivision (f) of Section 15636 and the last paragraph of Section 15636 or (b) with the written consent of each partner in accordance with the provisions of subdivision (c) of Section 15681.

SEC. 11. Section 15653 of the Corporations Code is amended to read:

15653. The profits and losses of a limited partnership shall be allocated among the partners in the manner provided in the partnership agreement. If the partnership agreement does not

otherwise provide, profits and losses shall be allocated in proportion to the contributions of each partner.

SEC. 12. Section 15654 of the Corporations Code is amended to read:

15654. Distributions of the money or property of a limited partnership shall be made to the partners in the manner provided in the partnership agreement. If the partnership agreement does not otherwise provide, distributions which are a return of capital shall be made in proportion to the contributions of each partner and distributions which are not a return of capital shall be made in proportion to the allocation of profits.

SEC. 13. Section 15685 of the Corporations Code is amended to read:

15685. After dissolution, a general partner can bind the partnership as follows:

(a) By any act appropriate for winding up partnership affairs or completing transactions unfinished at dissolution.

(b) By any transaction which would bind the partnership if dissolution had not taken place, if the other party to the transaction:

(1) Had extended credit to the partnership prior to dissolution and had no actual knowledge or notice of the dissolution.

(2) Though not so extending credit, had nevertheless known of the partnership prior to dissolution, and, had no actual knowledge or notice of dissolution, and a certificate of dissolution has not been filed as provided in subdivision (a) of Section 15623.

SEC. 14. Section 15800 of the Corporations Code is amended to read:

15800. Every partnership, other than a foreign limited partnership subject to Chapter 3 (commencing with Section 15691) of Title 2 of the Corporations Code or a commercial or banking partnership established and transacting business in a place without the United States, which is domiciled without this state and has no regular place of business within this state, shall, within 40 days from the time it commences to do business in this state, file a statement in the office of the Secretary of State in accordance with Section 24003 designating some natural person or corporation as the agent of the partnership upon whom process issued by authority of or under any law of this state directed against the partnership may be served. A copy of such designation, duly certified by the Secretary of State, is sufficient evidence of such appointment.

Such process may be served in the manner provided in subdivision (e) of Section 24003 on the person so designated, or, in the event that no such person has been designated, or if the agent designated for the service of process is a natural person and cannot be found with due diligence at the address stated in the designation, or if such agent is a corporation and no person can be found with due diligence to whom the delivery authorized by subdivision (e) of Section 24003 may be made for the purpose of delivery to such corporate agent, or if the agent designated is no longer authorized to act, then service

may be made by personal delivery to the Secretary of State, Assistant Secretary of State, or a Deputy Secretary of State of the process, together with a written statement signed by the party to the action seeking such service, or by the party's attorney, setting forth the last known address of the partnership and a service fee of five dollars ($5). The Secretary of State shall forthwith give notice of such service to the partnership by forwarding the process to it by registered mail, return receipt requested, at the address given in the written statement.

Service on the person designated, or personal delivery of the process and statement of address together with a service fee of five dollars ($5) to the Secretary of State, Assistant Secretary of State, or a Deputy Secretary of State, pursuant to this section is a valid service on the partnership. The partnership so served shall appear within 30 days after service on the person designated or within 30 days after delivery of the process to the Secretary of State, Assistant Secretary of State, or a Deputy Secretary of State.

SEC. 15. Section 17900 of the Business and Professions Code is amended to read:

17900. (a) As used in this chapter, "fictitious business name" means:

(1) In the case of an individual, a name that does not include the surname of the individual or a name that suggests the existence of additional owners.

(2) In the case of a partnership or other association of persons, other than a limited partnership which has filed a certificate of limited partnership with the Secretary of State pursuant to Section 15621 of the Corporations Code or a foreign limited partnership which has filed an application for registration with the Secretary of State pursuant to Section 15692 of the Corporations Code, a name that does not include the surname of each general partner or a name that suggests the existence of additional owners.

(3) In the case of a corporation, any name other than the corporate name stated in its articles of incorporation.

(4) In the case of a limited partnership which has filed a certificate of limited partnership with the Secretary of State pursuant to Section 15621 of the Corporations Code and in the case of a foreign limited partnership which has filed an application for registration with the Secretary of State pursuant to Section 15692 of the Corporations Code, any name other than the name of the limited partnership as on file with the Secretary of State.

(b) A name that suggests the existence of additional owners within the meaning of subdivision (a) is one which includes such words as "Company," "& Company," "& Son," "& Sons," "& Associates," "Brothers," and the like, but not words that merely describe the business being conducted.

SEC. 16. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into

immediate effect. The facts constituting the necessity are:

The changes proposed by this act are necessary to clarify various provisions relating to limited partnerships which will become operative July 1, 1984.

SEC. 17. This act shall become operative on July 1, 1984, except that if this act takes effect after July 1, 1984, the effective date shall also be the operative date.

CHAPTER 104

An act to amend Sections 51890, 51892, 51893, and 51894 of, and to add Sections 51324.5, 51346.5, and 51892.5 to, the Water Code, relating to flood protection.

[Approved by Governor April 28, 1984. Filed with Secretary of State April 30, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 51324.5 is added to the Water Code, to read:

51324.5. In preparation of the operation and maintenance assessment roll, the commissioners may, as one of the means of determining the assessment valuation per acre of each parcel, establish a base value per acre for each parcel of land according to the land use category or type of land use category for the parcel as reflected on the records of the county assessor. The base value may be adjusted to reflect the benefits derived by the parcel from continuance in operation of the district reclamation works in accordance with the benefit formula adopted by the commissioners. If land use categories are utilized by the commissioners, they shall file, with the operation and maintenance assessment roll, a report describing the basis for identifying the categories or category types utilized in establishing the assessment valuation per acre and the basis for future adjustment of that valuation, pursuant to Section 51346.5, to reflect changes in the land use category or type of land use category shown for each parcel on the records of the county assessor.

SEC. 2. Section 51346.5 is added to the Water Code, to read:

51346.5. If the valuation assessment commissioners have utilized land use categories as a basis for the assessment valuation pursuant to Section 51324.5, the board may, without petitioning for the preparation of a new roll under Section 51346, adjust, not more often than annually, the assessment valuations for each parcel of land or subdivided parcel of land within district boundaries to reflect changes in the land use category or type of land use category shown for that parcel on the records of the county assessor, in order to conform to the category currently shown on the records of the county assessor for the respective parcel, in conformity with the

report of the commissioners. Any such adjustment to the assessment valuation shall be accomplished by the preparation and filing of a supplement to the operation and maintenance assessment roll to be filed in accordance with Section 51337 upon which shall be endorsed the statement "Adjusted to reflect changes in land use as of (date)."

SEC. 3. Section 51890 of the Water Code is amended to read:

51890. When any parcel located in a district upon which an assessment has been levied is divided, the board, upon written application signed by any or all of the landowners within the divided parcel, shall enter a minute order directing the reapportionment of the assessment upon the divided parcel in such manner as will charge each of the smaller parcels with a just proportion of the assessment.

When any parcel in a district is subdivided for the purposes of sale in accordance with Part 2 (commencing with Section 11000) of Division 4 of the Business and Professions Code, the subdivider shall make written application to the board for the reapportionment of any assessment of the district upon the parcels and the board shall proceed to make the reapportionment in the manner provided in this article. The expense of the reapportionment shall be paid by the subdivider.

SEC. 4. Section 51892 of the Water Code is amended to read:

51892. If the application for reapportionment is not signed by all of the landowners within the divided parcel, the board upon making the minute order, shall file with the clerk of the board of supervisors a list of the charges assessed against each of the parcels, and the reapportionment shall be approved by the board of supervisors in the manner provided in Article 1 (commencing with Section 51230) of Chapter 2.

SEC. 5. Section 51892.5 is added to the Water Code, to read:

51892.5. If no application for reapportionment is received under Section 51890, the district secretary may, upon learning that a parcel upon which an assessment has been levied has been divided or subdivided, reapportion the assessment against that parcel among each of the smaller parcels in proportion to the relative acreage contained in each parcel. The secretary shall give to each owner of the smaller parcels written notice of the reapportionment so determined, advising that the reapportionment will become final unless the owners, or any of them, within 10 days of the mailing of the notice, file with the secretary a written request for a hearing before the board to determine the manner in which the assessment shall be reapportioned. If no request is received, the reapportionment shall become final upon adoption by the board. If a request is received, the secretary shall give to the owner of each of the smaller parcels written notice not less than 10 days prior thereto that a hearing will be held by the board to determine the reapportionment. The determination of the board at the hearing shall be final unless, within 10 days thereafter, an objection is filed in writing with the secretary, in which event the board shall file its order of reapportionment with the clerk of the board of supervisors,

and the reapportionment shall be approved by the board of supervisors in the manner provided in Article 1 (commencing with Section 51230) of Chapter 2.

SEC. 6. Section 51893 of the Water Code is amended to read:

51893. The board shall require, as a condition to the making of any reapportionment pursuant to this article, that each parcel of the divided or subdivided parcel be given suitable means of ingress and egress.

SEC. 7. Section 51894 of the Water Code is amended to read:

51894. When any assessment has been reapportioned on any parcel, the board shall cause the divisions or subdivisions and reapportionment to be properly entered or endorsed upon the assessment list, and shall file notice of all the changes with the county treasurer.

CHAPTER 105

An act to amend Sections 56705, 56707, and 56708 of, and to add Sections 56705.5 and 56716 to, the Food and Agricultural Code, relating to agriculture.

[Approved by Governor April 28, 1984. Filed with Secretary of State April 30, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 56705 of the Food and Agricultural Code is amended to read:

56705. If a person licensed under Chapter 6 (commencing with Section 55401) or Chapter 7 (commencing with Section 56101) fails to pay for any farm product which is received by the licensee, the director shall ascertain the names and addresses of all farm products creditors together with the amounts which are due and owing to them and each of them by the licensee and shall request all of those farm products creditors to file a verified statement of their respective claims with the director. The request shall be addressed to each creditor at his or her last known address. If by reason of the absence of records, or other circumstances which make it impossible or unreasonable for the director to ascertain the names and addresses of all of the farm products creditors, the director, after exerting due diligence and making reasonable inquiry to secure the information from all reasonable and available sources, may make demand upon the products fund on the basis of information then in his or her possession, and thereafter is not liable or responsible for claims or the handling of claims which may subsequently appear or be discovered.

SEC. 2. Section 56705.5 is added to the Food and Agricultural Code, to read:

56705.5. Only those claims filed pursuant to Section 56705 or as a

result of a verified complaint filed pursuant to Section 55751 or 56451 shall be accepted by the director as a proper claim upon the products fund.

SEC. 3. Section 56707 of the Food and Agricultural Code is amended to read:

56707. Upon ascertaining all claims and statements against a respondent licensee, the director shall pay, up to the amount specified in Section 56708, from the products fund to claimants, in accordance with the provisions of this chapter and all the following terms and conditions:

(a) The claimants shall have filed a verified complaint with the department.

(b) The amount due the claimants has been determined by an audit or investigation by the department, and the amount of the indebtedness has been fully substantiated by the claimant and verified by the director.

(c) The amount due is not disputed by the licensee and is approved by the department or, if the claim is disputed or not agreed to by the parties, the claim shall be adjudicated by an administrative hearing and a decision rendered pursuant to Section 55749 or 56447 specifying the amount due the creditors.

SEC. 4. Section 56708 of the Food and Agricultural Code is amended to read:

56708. The director may only pay up to 50 percent of any claim from the products fund. In no case shall the total paid all the claimants under this chapter exceed fifty thousand dollars ($50,000) against any one licensee. However, if a person subsequently obtains a new license under Chapter 6 (commencing with Section 55401) or Chapter 7 (commencing with Section 56101), claims may be made pursuant to Section 56705 against the products fund due to acts of the licensee made under his or her new license and those claims may be paid up to fifty thousand dollars ($50,000).

SEC. 5. Section 56716 is added to the Food and Agricultural Code, to read:

56716. Any transactions with a licensee made after a verified complaint has been filed by a claimant due to default by the licensee shall not be covered under this chapter on behalf of that claimant until the complaint is resolved. A transaction includes, but is not limited to, a contract which provides for multiple deliveries.

CHAPTER 106

An act to amend Section 8236 of, and to add and repeal Section 8232.5 of, the Fish and Game Code, relating to fish, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 30, 1984. Filed with Secretary of State April 30, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 8232.5 is added to the Fish and Game Code, to read:

8232.5. (a) For purposes of subdivision (b) of Section 8232, a natural person shall be considered to have been the possessor of a commercial salmon permit during 1980, 1981, or before August 11 of 1982, if the person meets all of the following criteria:

(1) The natural person filed an appeal with the former Commercial Salmon Fishing Appeals Board, as it existed before January 1, 1983.

(2) The Commercial Salmon Fishing Review Board finds, upon an application to the review board which is made before September 30, 1984, that the person should have been granted relief under the appeal filed with the former appeals board relating to the person's qualifications for a commercial salmon permit.

(3) The person's appeal was not heard by the former Commercial Salmon Fishing Appeals Board because that appeals board did not schedule or hold any hearing on the appeal after it was filed.

(b) This section shall remain in effect only until January 1, 1985, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1985, deletes or extends that date.

SEC. 2. Section 8236 of the Fish and Game Code is amended to read:

8236. (a) A vessel permit shall be renewed annually by May 1. The department shall set a fee to be charged for a vessel permit which shall not exceed the reasonable costs of implementing and administering the provisions of this article except as provided in subdivision (b).

(b) An additional fee of one hundred dollars ($100) shall be charged for any permit for which the permit application or permit renewal application is received after April 1, but not later than May 1, in 1985 and in any later year. Amounts received before May 1, 1984, under this subdivision are subject to refund under Section 13004.

(c) If the department does not receive a permit renewal application for any vessel for which a vessel permit has been issued, the department shall notify the owner of the vessel. The notice shall be in writing, shall be addressed to the owner at the address listed on his or her most recent permit or permit renewal application, and shall be sent by registered mail no later than April 20. The notice shall include all of the following:

(1) Instructions on how to apply for permit renewal.

(2) Information on the provisions of subdivision (b).

(3) Information on the provisions of subdivision (b) of Section 8237.

SEC. 3. This act is an urgency statute necessary for the

immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for the provisions of this act to be effective for the 1984 commercial fishing season, it is necessary that this act take effect immediately.

CHAPTER 107

An act relating to Mono Lake, and making an appropriation therefor.

[Approved by Governor May 3, 1984. Filed with Secretary of State May 3, 1984]

The people of the State of California do enact as follows:

SECTION 1. It is the intent of the Legislature that the Department of Fish and Game shall undertake a scientific study of the effects of water diversions on the Mono Lake ecosystem.

SEC. 2. The Department of Fish and Game may contract with the University of California or other public and private institutions or individuals for the purposes of this study. The study shall evaluate the effects of declining lake levels, increasing salinity, and other limnological changes upon all of the following:

(a) The total productivity, seasonality, and physiology of brine shrimp, flies, and algae living in and around Mono Lake.

(b) The numbers, productivity, and physiology of breeding and migratory bird populations.

(c) The extent and magnitude of duststorms from the relicted bed of Mono Lake and their implications for human health, wildlife, and surrounding vegetation.

(d) The lake's hydrology, including groundwater inflow, evaporation, and freshwater spring flow and associated habitats.

The research shall be coordinated with other research being undertaken, and the results of any research undertaken as part of a cooperative agreement shall be make available to the public.

SEC. 3. The Department of Fish and Game shall submit the scientific results of the study to the Legislature on or before December 31, 1987. The department shall submit written progress reports on the study and related research by December 31 of each year.

SEC. 4. Notwithstanding subdivision (d) of Section 21191 of the Public Resources Code, the sum of two hundred fifty thousand dollars ($250,000) is hereby appropriated from the California Environmental License Plate Fund to the Department of Fish and Game for expenditure without regard to fiscal years for purposes of contracting for the study provided for in this act; provided, that any

unencumbered funds shall revert to the California Environmental License Plate Fund on December 31, 1987. None of the funds appropriated in this section shall be encumbered by the Department of Fish and Game for any costs incurred by it in administering Sections 2 and 3 of this act.

SEC. 5. This act shall have no force or effect on and after January 1, 1988.

CHAPTER 108

An act to repeal Section 92045 of the Education Code, to amend Sections 15809, 15810, 15815, 15816, 15820.10, 15820.11, 15836, and 15837 of the Government Code, and to amend Item 6440-301-993 of the Budget Act of 1983, relating to public buildings, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 3, 1984 Filed with Secretary of State May 3, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 92045 of the Education Code is repealed.

SEC. 2. Section 15809 of the Government Code is amended to read:

15809. The board may:

(a) Acquire in the name of the State of California, and use any property, and lease as lessor, with the approval of the Department of General Services, any property or any interest therein at any time acquired by it to state agencies, or in the event of default upon any certificates, bonds, negotiable notes, or negotiable bond anticipation notes to other than state agencies.

(b) Construct public buildings.

(c) Contract with other state agencies for the use of real property owned by the state, upon which to construct a public building.

(d) Fix, alter, charge, and collect rentals and other charges for the use of public buildings, or for the services rendered by the board, at reasonable rates to be determined by the board for the purpose of providing for the payment of the expenses of the board, not provided for by state appropriations or otherwise, operation of its public buildings, and the payment of the principal of, and interest on, its certificates, revenue bonds, negotiable notes, or negotiable bond anticipation notes.

(e) Make contracts of every kind and nature, and execute all instruments necessary or convenient for the carrying on of its business.

(f) Obtain insurance against loss by fire or other hazards on public buildings, both during and after construction, and obtain insurance

against loss of revenues from any cause whatsoever, for the protection of the certificate holders, bondholders, or holders of any of its negotiable notes or negotiable bond anticipation notes.

(g) Issue certificates or revenue bonds, as provided in this part, to obtain funds to pay the cost of public buildings, secure the payment of certificates or revenue bonds and interest thereon by pledging all or part of its revenues, rentals, and receipts, and provide for the security of the certificates or revenue bonds and the rights of the holders thereof.

(h) Issue negotiable notes and negotiable bond anticipation notes, as provided in this part, to obtain interim funds to pay the cost of public buildings, secure the payment of negotiable notes and negotiable bond anticipation notes and interest thereon as provided in this part, and provide for the security of negotiable notes and negotiable bond anticipation notes and the rights of the holders thereof.

The board may authorize the preparation of bid proposals and the securing of bids for the construction of projects prior to obtaining interim financing. However, no contracts shall be executed until interim financing is available to the board.

SEC. 3. Section 15810 of the Government Code is amended to read:

15810. In the act authorizing the acquisition and construction of public buildings pursuant to this part, the Legislature shall provide whether certificates, revenue bonds, negotiable notes or negotiable bond anticipation notes shall be issued to finance such acquisition and construction, or whether the board may elect to use any such method of financing.

SEC. 4. Section 15815 of the Government Code is amended to read:

15815. (a) The plans and specifications of any public building constructed pursuant to this part shall be prepared by the Department of General Services and the board shall reimburse the department for the costs of such services from the funds available for the purpose. Any public building constructed under the provisions of this part shall be constructed in accordance with the provisions of the State Contract Act.

(b) Subdivision (a) shall not apply to any public building constructed for lease-purchase to the Regents of the University of California by the board, pursuant to Chapter 3.5 (commencing with Section 15820) of this part. However, any public building shall be constructed under the provisions of Chapter 7 (commencing with Section 92660) of Part 57 of the Education Code.

SEC. 5. Section 15816 of the Government Code is amended to read:

15816. (a) When any public building has been acquired or constructed by the board, and the revenues, rentals, or receipts from the operation of such public building are no longer required or pledged for the payment of principal or interest on any of the

certificates or revenue bonds of the board undertaken under this part, the board shall forthwith notify the Department of General Services of that fact, and thereafter such public building shall be under the jurisdiction of, and operated and maintained by, the Department of General Services.

(b) Subdivision (a) shall not apply to any public building constructed for lease-purchase to the Regents of the University of California, the Trustees of the California State University, the Board of Governors of the California Maritime Academy, or any community college district by the board, pursuant to Chapter 3.5 (commencing with Section 15820) of this part. When the revenues, rentals, or receipts from the operation of any such public building are no longer required or pledged for the payment of principal or interest on the certificates or revenue bonds of the board undertaken to finance such public building, title to such public building shall vest in the Regents of the University of California, the Trustees of the California State University, the Board of Governors of the California Maritime Academy, or any community college district.

(c) If at any time funds are available by law to retire any certificates or revenue bonds issued to defray the cost of any public building, such funds shall be applied to the redemption of certificates or revenue bonds secured by the rentals and revenues from said public building.

SEC. 5.5. Section 15820.10 of the Government Code is amended to read:

15820.10. (a) The board may issue certificates pursuant to Chapter 4 (commencing with Section 15821) or revenue bonds, negotiable notes, or negotiable bond anticipation notes pursuant to Chapter 5 (commencing with Section 15830) to finance the cost of construction or renovation and the equipping of the public buildings or facilities authorized by this chapter.

(b) The revenues, rentals, or receipts from the public buildings or facilities and equipment authorized by this chapter shall be pledged to the payment of the principal of, and the interest on, the certificates, revenue bonds, notes, or anticipation notes issued to finance the construction or renovation and the equipping of those public buildings or facilities.

(c) No certificates, revenue bonds, notes, or anticipation notes shall be issued, and no construction or renovation and the equipping for any public building or facility authorized by this chapter shall be commenced or purchased, unless the Legislature, by statute, authorizes the total amount of certificates, revenue bonds, notes, or anticipation notes that may be issued to finance that public building or facility and expressly approves the construction thereof.

(d) It is the intent of the Legislature that preliminary plans for each project shall be made available for legislative review prior to the authorization of funding under the provisions of this chapter.

SEC. 6. Section 15820.11 of the Government Code is amended to read:

15820.11. (a) The Legislature authorizes the use of revenue bonds and negotiable notes or negotiable bond anticipation notes to finance the construction of the Food and Agricultural Sciences Building capital outlay project on the campus of the University of California at Davis.

(b) The amount of revenue bonds or negotiable notes to be sold shall equal the cost of construction, any additional sums necessary to pay financing costs, including interest, during construction, and a reasonably required reserve fund. The amount of negotiable bond anticipation notes to be sold shall not exceed the amount of revenue bonds or negotiable notes authorized by this section.

(c) Authorized construction costs shall be forty-two million three hundred ninety-seven thousand dollars ($42,397,000) based on the Engineering News Record Construction Cost Index 4400.

(d) Any augmentation of the approved project costs shall be subject to the provisions of Section 13332.11 of the Government Code.

SEC. 7. Section 15836 of the Government Code is amended to read:

15836. Bonds, negotiable notes, and negotiable bond anticipation notes issued pursuant to this part are a legal investment for any state special or trust fund notwithstanding any provision of law limiting the investments which may be made by such special or trust fund. The bonds, negotiable notes, and negotiable bond anticipation notes of the board shall be legal investments in which all public officers and public bodies of the state, its political subdivisions, all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, banking institutions, including savings and loan associations, building and loan associations, trust companies, savings banks and savings associations, investment companies, and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons authorized to invest in bonds or in other obligations of the state, may properly and legally invest funds, including capital, in their control or belonging to them. The bonds, negotiable notes, and negotiable bond anticipation notes may be used by any such private financial institution, person, or association as security for public deposits. The bonds, negotiable notes, and negotiable bond anticipation notes are also hereby made securities which may properly and legally be deposited with and received by all public officers and bodies of the state or any agency or political subdivision of the state and all municipalities and public corporations for any purpose for which the deposit of bonds or other obligations of the state is authorized by law, including deposits to secure public funds.

SEC. 8. Section 15837 of the Government Code is amended to read:

15837. Whenever the board deems that it will increase the salability or the price of the bonds, negotiable notes, or negotiable

bond anticipation notes to obtain, prior to or after sale, a legal opinion, other than that of the Attorney General, as to the validity of the bonds, negotiable notes, or negotiable bond anticipation notes, the board may authorize the Treasurer, or the Department of Finance, or both, to obtain such a legal opinion. Payment for such legal services shall be made out of the proceeds of the sale of the bonds, negotiable notes, or negotiable bond anticipation notes.

SEC. 9. Item 6440-301-993 of the Budget Act of 1983 (Chapter 324, Statutes of 1983), as amended by Chapter 1095 of the Statutes of 1983, is amended to read:

6440-301-993—For capital outlay, State Public Works Board, payable from revenue bonds, negotiable notes, or negotiable bond anticipation notes, for construction of University of California facilities authorized pursuant to the provisions of Chapter 1268 of the Statutes of 1983 ..... $42,397,000

Schedule:

(a) Davis Campus:

(1) Construct Food and Agricultural Sciences Building $42,397,000

Provisions:

1. In addition to the cost of construction, the State Public Works Board may authorize any additional amounts necessary to pay the costs of financing, including interest, during construction of the project, a reasonably required reserve fund, and the cost of issuance of permanent financing after completion of the project.
2. The State Public Works Board may authorize the augmentation of the cost of this project under the board's authority under the Government Code.
3. The cost of construction shall be based on the Engineering News Record Construction Cost Index 4400.

SEC. 10. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to facilitate the funding of the construction of public buildings, it is necessary that this act take effect immediately.

CHAPTER 109

An act to amend Section 4600.1 of the Civil Code, relating to marriage.

[Approved by Governor May 3, 1984. Filed with Secretary of State May 3, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 4600.1 of the Civil Code is amended to read:

4600.1. (a) In any proceeding under Title 2 (commencing with Section 4400) or Title 3 (commencing with Section 4500) where there are minor children of the marriage, and in any action for exclusive custody under Section 4603, a petition for a temporary custody order containing the statement required by Section 5158 may be included with the initial filing of the petition or action or may be filed at any time thereafter.

(b) If the parties have agreed to or reached an understanding on the custody or temporary custody of their children, a copy of the agreement or an affidavit as to their understanding shall be attached to the petition or action. As promptly as possible after this filing, the court shall, except in exceptional circumstances, enter an order awarding temporary custody in accordance with the agreement or understanding, or in accordance with any stipulation of the parties.

(c) In the absence of an agreement, understanding, or stipulation, the court may, if jurisdiction is appropriate, enter an ex parte order, set a hearing date within 20 days, and issue an order to show cause on the responding party. If the responding party does not appear or respond within the time set, the temporary order may be extended as necessary, pending the termination of the proceedings.

(d) If, despite good faith efforts, service of the ex parte order and order to show cause has not been effected in a timely fashion and there is reason to believe, based on an affidavit, or other manner of proof made under penalty of perjury, by the petitioner, that the responding party has possession of the minor child or children and seeks to avoid the jurisdiction of the court or is concealing the whereabouts of the child or children, then the hearing date may be reset and the ex parte order extended up to an additional 90 days. After service has been effected, either party may request ex parte that the hearing date be advanced or the ex parte order be dissolved or modified.

CHAPTER 110

An act to amend Sections 9360.9, 9360.10, 20100.1, 20101, 20102.1, 20104, 20205, 21221, and 21222 of the Government Code, relating to public retirement systems, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 3, 1984. Filed with Secretary of State May 3, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 9360.9 of the Government Code is amended to read:

9360.9. Notwithstanding any other provisions of this chapter, the provisions of this section shall be applicable to all allowances granted by this chapter commencing with each installment paid or payable on or after January 1, 1964, with respect to Members of the Senate or the Assembly not having service in such office during or after the term commencing in 1967 and members who are elective officers of the state whose offices are provided by the Constitution and who were first elected to any such office prior to January 1, 1966.

On or before January 1, 1964, the board shall adjust the amount of the allowances payable during the 1964 calendar year to reflect any increase in cost of living occurring between the 1963 calendar year and the 1955 calendar year, inclusive, and any increase resulting from such adjustment shall be payable commencing with each installment of allowances paid or payable on or after January 1, 1964. On or before January 15, 1965, and, on or before January 15 of each year thereafter, the amount of the allowances provided by this chapter shall be adjusted by the board to reflect any increase in cost of living occurring after January 1 of the immediately preceding calendar year. Effective January 1, 1985, the United States city average of the "Consumer Price Index for all Urban Consumers," as published by the United States Bureau of Statistics, shall be used as the basis for determining the changes in the cost of living. For the period from January 1, 1978, through December 31, 1984, the average of the separate indices of the "Consumer Price Index for All Urban Consumers" for the Los Angeles-Long Beach-Anaheim area, and the San Francisco-Oakland area, as published by the United States Bureau of Labor Statistics, shall be used as the basis for determining the changes in the cost of living. For the period prior to January 1, 1978, the average of the separate indices for the Los Angeles-Long Beach area and the San Francisco-Oakland area, as published by the United States Bureau of Labor Statistics, shall be used as the basis for determining the changes in the cost of living. The cost-of-living increase shall equal or exceed 1 percent before any adjustment is made in the allowance. The calendar year 1954 shall be used as the base year in computing any annual adjustment. The annual

adjustment made on or before January 15, 1965 and made on or before January 15 of each calendar year thereafter shall correspond to the average annual change in the calendar year immediately preceding the year during which the adjustment shall be effective. The adjustment made on or before January 1, 1964, shall correspond to the total of the average annual changes in each calendar year from the 1955 calendar year to the 1963 calendar year, inclusive.

The adjustment provided by this section shall be made only if it operates to effect an increase over the allowance payable for the calendar year immediately preceding.

SEC. 2. Section 9360.10 of the Government Code is amended to read:

9360.10. On or before January 15, 1968, and on or before January 15 of each year thereafter, the amount of any allowances provided by this chapter and not subject to Section 9360.9 shall be adjusted by the board to reflect any increase in cost of living occurring after January 1 of the immediately preceding fiscal year. Effective January 1, 1985, the United States city average of the "Consumer Price Index for all Urban Consumers," as published by the United States Bureau of Statistics, shall be used as the basis for determining the changes in the cost of living. For the period from January 1, 1978, through December 31, 1984, the average of the separate indices of the "Consumer Price Index for All Urban Consumers" for the Los Angeles-Long Beach-Anaheim area and the San Francisco-Oakland area, as published by the United States Bureau of Labor Statistics, shall be used as the basis for determining the changes in the cost of living. For the period prior to January 1, 1978, the average of the separate indices for the Los Angeles-Long Beach area and the San Francisco-Oakland area, as published by the United States Bureau of Labor Statistics, shall be used as the basis for determining the changes in the cost of living. The cost-of-living increase shall equal or exceed 1 percent before any adjustment is made in the allowance. The adjustment provided by this section shall be made only if it operates to effect an increase over the allowance payable for the calendar year immediately preceding.

SEC. 3. Section 20100.1 of the Government Code is amended to read:

20100.1. The members of the board of administration appointed by the Governor pursuant to subdivision (e) of Section 20100, the public member appointed jointly by the Senate Rules Committee and the Speaker of the Assembly pursuant to subdivision (f) of Section 20100, and any retired person serving on the board pursuant to subdivision (g) of Section 20100 shall receive one hundred dollars ($100) for every day or portion thereof of actual attendance at meetings of the board or any meeting of any committee of the board of which committee the person is a member and which meeting is conducted for the purpose of carrying out the powers and duties of the board, together with their necessary traveling expenses incurred in connection with performance of their official duties.

SEC. 4. Section 20101 of the Government Code is amended to read:

20101. The term of office of members of the board is four years expiring on January 15th in the order heretofore fixed by law.

The board shall hold special elections to fill vacancies which occur during the term of elected members of the board. If at the time a vacancy occurs, the unexpired term is less than two years, the new member elected to fill such vacancy shall hold office for a period equal to the remainder of the term of the vacated office plus four years.

The Governor or the Speaker of the Assembly and the Senate Rules Committee, as the case may be, shall fill a vacancy of a member appointed pursuant to subdivision (e) or (f) of Section 20100 by the appointment of a person having the requisite qualifications for the remainder of the vacated term of office.

SEC. 5. Section 20102.1 of the Government Code is amended to read:

20102.1. Notwithstanding any other provision of this part, any person elected to the board under Section 20100 shall be entitled to hold such office until the end of the term.

SEC. 6. Section 20104 of the Government Code is amended to read:

20104. The board shall maintain its office in the City of Sacramento. A quorum of the board is seven members. The board shall elect a president from its membership.

SEC. 7. Section 20205 of the Government Code is amended to read:

20205. The board may itself make any investment authorized by law or sell any security, obligation, or real property in which moneys in the fund are invested, by affirmative vote of at least seven members of the board, or by such an affirmative vote may from time to time adopt an investment resolution which shall contain detailed guidelines by which to designate those securities and real property which are acceptable for purchase. While the resolution is in effect, securities and real property may be purchased for investment by an officer or employee of the board designated by it for such purpose, and sales of securities may be consummated by such officer or employee under the conditions prescribed. Purchases and sales of securities shall be reported to the board, on a monthly basis, at its next regular meeting.

SEC. 8. Section 21221 of the Government Code is amended to read:

21221. The following definitions shall govern the application of this article:

(a) "Monthly allowance" means any allowance payable monthly to a retired person, a survivor or beneficiary of a member or a retired person, other than a monthly installment of a basic death benefit, the commuted value of an unpaid temporary annuity, or an optional settlement No. 1, or allowances payable under Article 6 of this

chapter. There shall be excluded from any such monthly allowance, for purposes of any adjustment under this article, any portion of such allowance derived from accumulated additional contributions of a member.

(b) "Base allowance" means the amount of monthly allowance which would be payable to the recipient at the time of an annual adjustment under this article had this article not been enacted.

(c) Effective January 1, 1978, "Consumer Price Index" means the United States city average "Consumer Price Index for All Urban Consumers." The "Consumer Price Index" for any period prior to January 1, 1978, means the United States city average consumer price index. Should the reference base of such consumer price indices (presently 1957–59 = 100) be changed, each of such indices used to determine the consumer price index as defined in this section will be the indices converted to the new base by standard statistical methods.

(d) "Base year" means:

(1) The calendar year 1965 for all members whose retirement occurred prior to January 1, 1966, and for the beneficiaries and survivors of such retired members.

(2) The calendar year of retirement for all members whose retirement occurs after December 31, 1965, and for the beneficiaries and survivors of such members.

(3) The calendar year 1965 for survivors of members whose death occurred before January 1, 1966.

(4) The calendar year in which a member's death occurs for survivors of members whose death occurred before retirement and on or after January 1, 1966.

SEC. 9. Section 21222 of the Government Code is amended to read:

21222. Monthly allowances shall be adjusted annually for time commencing on April 1 and effective with the monthly allowance regularly payable on the first day of May beginning with May 1, 1969. The adjusted monthly allowance shall be equal to the base allowance multiplied by an adjustment factor which is equal to the ratio obtained by dividing the consumer price index for the immediately preceding year by the consumer price index for the recipient's base year. Such adjustments shall be subject to the conditions and limits provided in this article.

SEC. 10. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that (1) the recent statutory increases in, and revisions of, the membership of the Board of Administration of the Public Employees' Retirement System may be properly and reasonably reflected at the earliest possible time in the statutes prescribing a quorum and minimum votes regarding certain investments, providing for per diem for certain board members, and providing for

the filling of certain vacancies, and (2) that desirable revisions in the annual cost-of-living adjustment provisions of the Legislators' Retirement Law and the Public Employees' Retirement Law may be effectuated at the earliest possible time so as to provide sufficient lead time in which the necessary administrative and computer adjustments may be made prior to the date fixed by law on which payment of those adjustments must commence, it is necessary for this act to take effect immediately.

CHAPTER 111

An act to amend Section 25345.5 of the Health and Safety Code, relating to hazardous waste, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 8, 1984. Filed with Secretary of State May 9, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 25345.5 of the Health and Safety Code is amended to read:

25345.5. (a) The recordkeeping requirements of Section 25342 and the tax provided for in Section 25345 do not apply to hazardous wastes collected by local health officers or county agricultural commissioners which result from voluntary hazardous waste collection programs if the total quantities collected are limited to 1,000 kilograms or less per month from all sources; provided, however, that they comply with all requirements of Chapter 6.5 (commencing with Section 25100) and regulations adopted pursuant thereto. For the purposes of this subdivision, "voluntary hazardous waste collection program" means a program in which small quantities of hazardous wastes are received from nonindustrial sources, stored, and ultimately transferred to a licensed hazardous waste disposal site. Any hazardous waste collections in excess of 1,000 kilograms per month shall be subject to all requirements of this chapter and Chapter 6.5 (commencing with Section 25100) and regulations adopted pursuant thereto, including, but not limited to, those providing for payment of taxes and recordkeeping.

(b) The tax provided for in Section 25345 shall not apply to hazardous wastes generated or disposed of by local vector control agencies which have entered into a cooperative agreement pursuant to Section 2426 or by county agricultural commissioners if the hazardous wastes result from their control activities and if they comply with the requirements of Chapter 6.5 (commencing with Section 25100) and regulations adopted pursuant thereto.

(c) The recordkeeping requirements of Section 25342 and the tax provided for in Section 25345 do not apply to hazardous waste

disposed of, or submitted for disposal, if the hazardous waste meets all of the following requirements:

(1) The hazardous waste was located on the property of a landowner who did not produce, generate, or deposit the hazardous waste on the property.

(2) The hazardous waste was removed from the property and disposed of, before September 25, 1981, at a facility licensed by the department, the landowner paid for the costs of that removal and disposal, and the removal and disposal was carried out pursuant to permits issued by, or under the direction of, the department or a local agency.

(3) The landowner removed and disposed of the hazardous waste for the purpose of developing the property with a housing development project, of which at least 15 percent of the total units are affordable to low- and moderate-income families, without the use of direct subsidies by the state or federal government.

SEC. 3. The Legislature hereby finds and declares that implementation of this act does not constitute a gift of public funds since the act serves a public purpose by remedying the unfairness of requiring a landowner to pay a hazardous waste disposal tax when the landowner develops the property and protects the public health and safety by removing the hazardous waste deposited therein by another party. Furthermore, the use of land to develop affordable housing should be encouraged and not penalized by such a tax.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Due to the unfairness of penalizing by a tax those owners who remove hazardous waste from their own property, which waste they did not dispose of or generate, and who thereby help to protect the public health and safety, it is necessary that this act take effect immediately.

CHAPTER 112

An act to amend Sections 26840.7 and 26840.8 of the Government Code, and to amend Section 18305 of the Welfare and Institutions Code, relating to marriage license fees.

[Became law without Governor's signature. Filed with Secretary of State May 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 26840.7 of the Government Code is amended to read:

26840.7. In addition to the fee prescribed by Section 26840 and as

authorized by Section 26840.3, the county clerk shall collect a fee of nineteen dollars ($19) at the time of issuance of the license. The fee shall be disposed of by the clerk pursuant to the provisions of Chapter 5 (commencing with Section 18290) of Part 6 of Division 9 of the Welfare and Institutions Code.

SEC. 2. Section 26840.8 of the Government Code is amended to read:

26840.8. In addition to the fee prescribed by Section 26840.1 and as authorized by Section 26840.3, the person issuing an authorization for the performance of a marriage pursuant to subdivision (a) of Section 4213 of the Civil Code or the county clerk, upon providing a blank authorization form pursuant to subdivision (b) of Section 4213 of the Civil Code, shall collect a fee of nineteen dollars ($19) at the time of providing the authorization. The fee shall be disposed of pursuant to the provisions of Chapter 5 (commencing with Section 18290) of Part 6 of Division 9 of the Welfare and Institutions Code.

SEC. 3. Section 18305 of the Welfare and Institutions Code is amended to read:

18305. At the time of issuance of a marriage license pursuant to Section 26840 of the Government Code, nineteen dollars ($19) of each fee paid shall be collected by the county clerk for deposit at the county's election into the county domestic violence programs special fund. The fees collected in this special fund shall be disbursed to approved programs on a yearly or more frequent basis commencing July 1, 1980.

The county clerk shall, at the request of the board of supervisors, deposit nineteen dollars ($19) of each fee into a county domestic violence programs special fund. The county domestic violence programs special fund shall fund programs established pursuant to Section 18304. No more than 10 percent of the funds shall be expended for the administrative costs associated with the collection and segregation of the additional marriage license fees, administration of the county special fund, monitoring of the programs, and meeting the other administrative requirements imposed by this chapter. Counties which do not participate in the establishing or funding of domestic violence programs pursuant to this chapter, shall be entitled to retain up to 4 percent of the funds for the administrative costs associated with the collection and segregation of the additional marriage license fees and the deposit of these fees in the General Fund in the State Treasury. Any money not used by the county for programs described pursuant to this chapter, shall be deposited in the General Fund.

The Controller shall ensure that the amount deposited in the General Fund pursuant to this section shall be obligated to repay any General Fund appropriation made in the 1980 Budget Act; and thereafter shall be used to finance domestic violence programs in those counties where the revenue generated pursuant to this chapter does not exceed two thousand dollars ($2,000) per year.

CHAPTER 113

An act to amend Section 1091 of the Government Code, relating to public officers and employees, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 10, 1984. Filed with Secretary of State May 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1091 of the Government Code is amended to read:

1091. (a) An officer shall not be deemed to be interested in a contract entered into by a body or board of which the officer is a member within the meaning of this article if the officer has only a remote interest in the contract and if the fact of such interest is disclosed to the body of the board of which the officer is a member and noted in its official records, and thereafter the body or board authorizes, approves, or ratifies the contract in good faith by a vote of its membership sufficient for the purpose without counting the vote or votes of the officer or member with the remote interest.

(b) As used in this article, "remote interest" means any of the following:

(1) That of an officer or employee of a nonprofit corporation, except as provided in paragraph (8) of subdivision (a) of Section 1091.5.

(2) That of an employee or agent of the contracting party, if such contracting party has 10 or more other employees and if the officer was an employee or agent of such contracting party for at least three years prior to the officer initially accepting his or her office.

For the purposes of this paragraph, time of employment with the contracting party by the officer shall be counted in computing the three-year period specified in this paragraph even though such contracting party has been converted from one form of business organization to a different form of business organization within three years of the initial taking of office by such officer. Time of employment in such case shall be counted only if, after the transfer or change in organization, the real or ultimate ownership of the contracting party is the same or substantially similar to that which existed before such transfer or change in organization. For the purposes of this paragraph, stockholders, bondholders, partners, or other persons holding an interest in the contracting party are regarded as having the "real or ultimate ownership" of such contracting party.

(3) That of a parent in the earnings of his or her minor child for personal services.

(4) That of a landlord or tenant of the contracting party.

(5) That of an attorney of the contracting party or that of an

owner, officer, employee, or agent of a firm which renders, or has rendered, service to the contracting party in the capacity of stockbroker, insurance agent, insurance broker, real estate agent, or real estate broker, if these individuals have not received and will not receive remuneration, consideration, or a commission as a result of the contract.

(6) That of a member of a nonprofit corporation formed under the Food and Agricultural Code or a nonprofit corporation formed under the Corporations Code for the sole purpose of engaging in the merchandising of agricultural products or the supplying of water.

(7) That of a supplier of goods or services when such goods or services had been supplied to the contracting party by the officer for at least five years prior to his or her election or appointment to office.

(8) That of a person subject to the provisions of Section 1090 in any contract or agreement entered into pursuant to the provisions of the California Land Conservation Act of 1965.

(9) That of an officer, director, or employee of a bank, bank holding company, or savings and loan association with which a party to the contract has the relationship of borrower or depositor, debtor or creditor.

(10) That of an engineer, geologist, or architect employed by a consulting engineering or architectural firm. This paragraph applies only to an employee of a consulting firm who does not serve in a primary management capacity, and does not apply to an officer or director of a consulting firm.

(c) The provisions of this section shall not be applicable to any officer interested in a contract who influences or attempts to influence another member of the body or board of which he or she is a member to enter into the contract.

(d) The willful failure of an officer to disclose the fact of his or her interest in a contract pursuant to this section shall be punishable as provided in Section 1097. Such violation shall not void the contract, however, unless the contracting party had knowledge of the fact of the remote interest of the officer at the time the contract was executed.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to alleviate undue financial hardship and in order to promote fuller participation in the contracting process, it is necessary that this act take effect immediately.

CHAPTER 114

An act to amend Sections 3212.1, 3361, 3600.4, 4850, and 4850.5 of, and to add and repeal Section 3212.8 of, the Labor Code, relating to workers' compensation.

[Approved by Governor May 10, 1984. Filed with Secretary of State May 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 3212.1 of the Labor Code is amended to read:

3212.1. In the case of active firefighting members of fire departments of cities, counties, cities and counties, districts, or other public or municipal corporations or political subdivisions, and active firefighting members of the fire departments of the University of California, whether these members are volunteers, partly paid, or fully paid, and in the case of active firefighting members of the Department of Forestry, or of any county forestry or firefighting department or unit, whether volunteers, partly paid, or fully paid, the term "injury" as used in this division includes cancer which develops or manifests itself during a period while the member is in the service of the department or unit, provided that the member demonstrates that he or she was exposed, while in the service of the department or unit, to a known carcinogen as defined by the International Agency for Research on Cancer, or as defined by the director, and that the carcinogen is reasonably linked to the disabling cancer.

The compensation which is awarded for cancer shall include full hospital, surgical, medical treatment, disability indemnity, and death benefits, as provided by the provisions of this division.

The cancer so developing or manifesting itself in these cases shall be presumed to arise out of and in the course of the employment. This presumption is disputable and may be controverted by other evidence, but unless so controverted, the appeals board is bound to find in accordance with it. This presumption shall be extended to a member following termination of service for a period of three calendar months for each full year of the requisite service, but not to exceed 60 months in any circumstance, commencing with the last date actually worked in the specified capacity.

SEC. 2. Section 3212.8 is added to the Labor Code, to read:

3212.8. This section and Section 3212.1 shall remain in effect only until January 1, 1989, and as of this date are repealed, unless a later enacted statute, which is chaptered before January 1, 1989, deletes or extends this date.

SEC. 3. Section 3361 of the Labor Code is amended to read:

3361. Each member registered as an active firefighting member of any regularly organized volunteer fire department, having official

recognition, and full or partial support of the government of the county, city, town, or district in which the volunteer fire department is located, is an employee of that county, city, town, or district for the purposes of this division, and is entitled to receive compensation from the county, city, town or district in accordance with the provisions thereof.

SEC. 4. Section 3600.4 of the Labor Code is amended to read:

3600.4. (a) Whenever any firefighter, as defined in Section 50925 of the Government Code, of a city, county, city and county, district, or other public or municipal corporation or political subdivision is injured, dies, or is disabled from performing his or her duties as a firefighter by reason of his or her proceeding to or engaging in a fire suppression or rescue operation, or the protection or preservation of life or property, anywhere in this state, including the local jurisdiction in which he or she is employed, but is not at the time acting under the immediate direction of his or her employer, he or she or his or her dependents, as the case may be, shall be accorded by his or her employer all of the same benefits of this division which he or she or they would have received had that firefighter been acting under the immediate direction of his or her employer. Any injury, disability, or death incurred under the circumstances described in this section shall be deemed to have arisen out of and been sustained in the course of employment for purposes of workers' compensation and all other benefits.

(b) Nothing in this section shall be deemed to:

(1) Require the extension of any benefits to a firefighter who at the time of his or her injury, death, or disability is acting for compensation from one other than the city, county, city and county, district, or other public or municipal corporation or political subdivision of his or her primary employment or enrollment.

(2) Require the extension of any benefits to a firefighter employed by a city, county, city and county, district, or other public or municipal corporation or political subdivision which by charter, ordinance, or departmental regulation, whether now in force or hereafter enacted or promulgated, expressly prohibits the activity giving rise to the injury, disability, or death.

SEC. 5. Section 4850 of the Labor Code, as amended by Chapter 762 of the Statutes of 1983, is amended to read:

4850. Whenever any city policeman, harbor policeman of any harbor district, city, county, or district firefighter, sheriff or any officer or employee of a sheriff's office, any inspector, investigator, detective, or personnel with comparable title in any district attorney's office, or lifeguard employed year round on a regular, full-time basis by a county of the first class, who is a member of the Public Employees' Retirement System or subject to the County Employees Retirement Law of 1937 (Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 of the Government Code) is disabled, whether temporarily or permanently, by injury or illness arising out of and in the course of his or her duties, he or she

shall become entitled, regardless of his or her period of service with the city, county, or district, to leave of absence while so disabled without loss of salary in lieu of temporary disability payments, if any, which would be payable under this chapter, for the period of the disability, but not exceeding one year, or until such earlier date as he or she is retired on permanent disability pension, and is actually receiving disability pension payments. This section shall apply only to city policemen, harbor district policemen, sheriffs or any officer or employee of a sheriff's office, and any inspector, investigator, detective, or personnel with comparable title in any district attorney's office, who are members of the Public Employees' Retirement System or subject to the County Employees Retirement Law of 1937 (Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 of the Government Code) and excludes such employees of a police department whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise, and whose functions do not clearly fall within the scope of active law enforcement service, and excludes such employees of a county sheriff's office whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise, and whose functions do not clearly come within the scope of active law enforcement service. It shall also apply to city, county, or district firefighters who are members of the Public Employees' Retirement System or subject to the County Employees Retirement Law of 1937 (Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 of the Government Code) and excludes such employees of the city fire department, county fire department, and of any fire district whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise, and whose functions do not clearly fall within the scope of active firefighting and prevention service. It shall also apply to deputy sheriffs subject to the County Employees Retirement Law of 1937 (Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 of the Government Code). It shall also apply to lifeguards employed year round on a regular, full-time basis by counties of the first class who are subject to the County Employees Retirement Law of 1937 (Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 of the Government Code). If the employer is insured, the payments which, except for the provisions of this section, the insurer would be obligated to make as disability indemnity to the injured, the insurer may pay to the insured.

This section shall remain in effect only until January 1, 1990, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1990, deletes or extends that date.

SEC. 5.5. Section 4850 of the Labor Code, as added by Chapter 762 of the Statutes of 1983, is amended to read:

4850. Whenever any city policeman, city, county, or district firefighter, sheriff or any officer or employee of a sheriff's office, any inspector, investigator, detective, or personnel with comparable title

in any district attorney's office, or lifeguard employed year round on a regular, full-time basis by a county of the first class, who is a member of the Public Employees' Retirement System or subject to the County Employees Retirement Law of 1937 (Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 of the Government Code) is disabled, whether temporarily or permanently, by injury or illness arising out of and in the course of his or her duties, he or she shall become entitled, regardless of his or her period of service with the city or county, to leave of absence while so disabled without loss of salary in lieu of temporary disability payments, if any, which would be payable under this chapter, for the period of the disability, but not exceeding one year, or until such earlier date as he or she is retired on permanent disability pension. This section shall apply only to city policemen, sheriffs or any officer or employee of a sheriff's office, and any inspector, investigator, detective, or personnel with comparable title in any district attorney's office, who are members of the Public Employees' Retirement System or subject to the County Employees Retirement Law of 1937 (Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 of the Government Code) and excludes such employees of a police department whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise, and whose functions do not clearly fall within the scope of active law enforcement service, and excludes such employees of a county sheriff's office whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise, and whose functions do not clearly come within the scope of active law enforcement service. It shall also apply to city, county, or district firefighters who are members of the Public Employees' Retirement System or subject to the County Employees Retirement Law of 1937 (Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 of the Government Code) and excludes such employees of the city fire department, county fire department, and of any fire district whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise, and whose functions do not clearly fall within the scope of active firefighting and prevention service. It shall also apply to deputy sheriffs subject to the County Employees Retirement Law of 1937 (Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 of the Government Code). It shall also apply to lifeguards employed year round on a regular, full-time basis by counties of the first class who are subject to the County Employees Retirement Law of 1937 (Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 of the Government Code). If the employer is insured, the payments which, except for the provisions of this section, the insurer would be obligated to make as disability indemnity to the injured, the insurer may pay to the insured.

This section shall become operative on January 1, 1990.

SEC. 6. Section 4850.5 of the Labor Code is amended to read:

4850.5. Any firefighter employed by the County of San Luis Obispo, and the sheriff or any officer or employee of the sheriff's office of the County of San Luis Obispo, shall, upon the adoption of a resolution of the board of supervisors so declaring, be entitled to the benefits of this article, if otherwise entitled to these benefits, even though the employee is not a member of the Public Employees' Retirement System or subject to the County Employees Retirement Law of 1937 (Chapter 3 (commencing with Section 31450) of Part 3 of Division 4 of Title 3 of the Government Code).

CHAPTER 115

An act to amend Section 29142.2 of, to add Section 99268.11 to, and to repeal and add Section 29142.5 of, the Public Utilities Code, relating to transportation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 10, 1984. Filed with Secretary of State May 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 29142.2 of the Public Utilities Code is amended to read:

29142.2. Notwithstanding Section 7271 of the Revenue and Taxation Code, after deduction for the cost of the State Board of Equalization in administering the transactions and use tax, the amounts collected under the ordinance adopted pursuant to Section 29140 and available for distribution shall be allocated as follows:

(a) Seventy-five percent to the San Francisco Bay Area Rapid Transit District.

(b) Twenty-five percent shall be allocated by the Metropolitan Transportation Commission to the San Francisco Bay Area Rapid Transit District, the City and County of San Francisco for its municipal railway system, and the Alameda-Contra Costa Transit District for transit services on the basis of regional priorities established by the commission. The allocations by the commission to these transit operators for transit services shall be in accordance with the criteria in the financial management plan which is to be developed and annually revised by the commission in coordination with the Alameda-Contra Costa Transit District, the San Francisco Bay Area Rapid Transit District, and the City and County of San Francisco.

SEC. 2. Section 29142.5 of the Public Utilities Code is repealed.

SEC. 3. Section 29142.5 is added to the Public Utilities Code, to read:

29142.5. On and after July 1, 1984, for purposes of meeting the requirement of subdivision (b) of Section 29142.4, the Metropolitan

Transportation Commission may consider, as fare revenues, that portion of the local support of an operator for its transit system which exceeds its base level of operating support as determined by the commission, if the commission finds that this consideration will enable the operator to maintain or improve vital transit within a coordinated fare structure.

SEC. 4. Section 99268.11 is added to the Public Utilities Code, to read:

99268.11. Sections 99268.3, 99268.4, and 99268.9 may be waived by the transportation planning agency with respect to an operator during any fiscal year in which both of the following occurred, if the waiver is necessary to enable the operator to provide vital public transportation services:

(a) The operator sustained two separate work stoppages for 15 days or longer due to labor disputes.

(b) At least one of the work stoppages was not related to a labor dispute with the operator.

SEC. 5. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that transit operators may continue to be eligible to receive allocations, after July 1, 1984, pursuant to Section 29142.2 of the Public Utilities Code or pursuant to the Mills-Alquist-Deddeh Act, and in order that the allocations reflect the financial needs of the transit operators, to continue providing needed transit services, it is necessary that this act take effect immediately.

CHAPTER 116

An act to amend Section 14034 of, and to repeal Section 14035.1 of, the Government Code, relating to public transportation.

[Approved by Governor May 10, 1984. Filed with Secretary of State May 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 14034 of the Government Code is amended to read:

14034. (a) During the planning and development of any proposed commuter rail service, the department shall consult with

the county transportation commission and the transportation planning agency affected by any such proposal.

(b) County transportation commissions and transportation planning agencies may review and comment during a public hearing on the priority list specified in Section 14538.

(c) Prior to any allocation pursuant to Section 14031.6, county transportation commissions and transportation planning agencies shall be notified at least 20 days before any such allocation is considered by the commission at a public hearing.

SEC. 2. Section 14035.1 of the Government Code is repealed.

CHAPTER 117

An act to amend Section 14533.5 of the Government Code, relating to transportation.

[Approved by Governor May 10, 1984. Filed with Secretary of State May 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 14533.5 of the Government Code is amended to read:

14533.5. (a) The department shall advance funds for an exclusive public mass transit guideway project to a public entity eligible for those funds when all of the following conditions exist:

(1) The commission has allocated the funds pursuant to Section 14533 of this code and in accordance with Section 99317 of the Public Utilities Code or Section 199 of the Streets and Highways Code.

(2) The financing plan and the schedule for the project have been approved by the department pursuant to Section 14085.

(3) The department and the public entity have entered into a fund transfer agreement which specifies the terms of the advance and the procedure for periodic reimbursement of actual costs incurred for the project.

(4) The public entity has demonstrated to the satisfaction of the department that the advance is required to pay current expenses on the project for which the allocation is authorized.

(5) The advance does not exceed 10 percent of the allocation authorized.

(6) The advance will not jeopardize the timely discharge of the other commitments against the account in the State Transportation Fund from which the advance is made.

(b) If, upon completion of the project, the advance of funds, together with interest on the advance of funds earned for the full period of the advance equivalent to the average rate earned by investments in the Pooled Money Investment Account during the same period, exceeds that portion of the actual reimbursable costs for

which the public entity has not been reimbursed, the public entity shall repay the excess amount to the state for deposit in the account from which the advance was made.

(c) If the department encounters any substantial problems in carrying out this section, it shall promptly prepare and submit to the Legislature a report which summarizes the procedures adopted to carry out the section, identifies any problems encountered, and indicates the direct and indirect costs to the state incurred in carrying out the section.

CHAPTER 118

An act to add Section 6077.5 to the Business and Professions Code, relating to collection agencies.

[Approved by Governor May 15, 1984. Filed with Secretary of State May 15, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 6077.5 is added to the Business and Professions Code, to read:

6077.5. An attorney and his or her employees who are employed primarily to assist in the collection of a consumer debt owed to another, as defined by Section 1788.2 of the Civil Code, shall comply with all of the following:

(a) The obligations imposed on debt collectors pursuant to Article 2 (commencing with Section 1788.10) of Title 1.6C of Part 4 of Division 3 of the Civil Code.

(b) Any employee of an attorney who is not a member of the State Bar of California, when communicating with a consumer debtor or with any person other than the debtor concerning a consumer debt, shall identify himself or herself, by whom he or she is employed, and his or her title or job capacity.

(c) Without the prior consent of the debtor given directly to the attorney or his or her employee or the express permission of a court of competent jurisdiction, an attorney or his or her employee shall not communicate with a debtor in connection with the collection of any debt at any unusual time or place, or time or place known, or which should be known, to be inconvenient to the debtor. In the absence of knowledge of circumstances to the contrary, an attorney or his or her employee shall assume that the convenient time for communicating with the debtor is after 8 a.m. and before 9 p.m., local time at the consumer's location.

(d) If a debtor notifies an attorney or his or her employee in writing that the debtor refuses to pay a debt or that the debtor wishes the attorney or his or her employee to cease further communications with the debtor, the attorney or his or her employee shall not

communicate further with the debtor with respect to such debt, except as follows:

(1) To advise the debtor that the attorney or his or her employee's further efforts are being terminated.

(2) To notify the debtor that the attorney or his or her employee or creditor may invoke specific remedies which are ordinarily invoked by such attorney or creditor.

(3) Where applicable, to notify the debtor that the attorney or creditor intends to invoke his or her specific remedy.

(4) Where a suit has been filed or is about to be filed and the debtor is not represented by counsel or has appeared in the action on the debt in propria persona.

For the purpose of this section, "debtor" includes the debtor's spouse, parent, or guardian, if the debtor is a minor, executor, or administrator.

(e) An attorney or his or her employee shall not take or threaten to take any nonjudicial action to effect disposition or disablement of property if (1) there is no present right to possession of the property claimed as collateral through an enforceable security interest; (2) there is no present intention to take possession of the property; or (3) the property is exempt by law from that disposition or disablement.

(f) An attorney or his or her employee shall not cause charges to be made to any person for communications, by concealment of the true purposes of the communication. The charges include, but are not limited to, collect telephone calls and telegram fees.

(g) Within five days after the initial communication with a debtor in connection with the collection of any unsecured debt, an attorney or his or her employee shall, unless the following information is contained in the initial communication or the debtor has paid the debt, send the debtor a written notice containing the following:

(1) The amount of the debt.

(2) The name of the creditor to whom the debt is owed.

(3) A statement that unless the debtor, within 30 days receipt of the notice, disputes the validity of the debt or any portion thereof, the debt will be assumed to be valid by the attorney or his or her employee.

(4) A statement that if the debtor notifies the debt collector in writing within the 30-day period that the debt, or any portion thereof, is disputed, the attorney or his or her employee will obtain a writing, if any exists, evidencing the debt or a copy of the judgment against the debtor and a copy of such writing or judgment will be mailed to the debtor by the attorney or his or her employee.

(5) A statement that, upon the debtor's written request within the 30-day period, the attorney or his or her employee will provide the debtor the name and address of the original creditor, if different from the current creditor.

If the debtor notifies the attorney or his or her employee in writing within the 30-day period described in this section that the debt or any portion thereof is disputed, or that the debtor requests the name and

address of the original creditor, the attorney and his or her employee shall cease collection of the debt or any disputed portion thereof, except for filing suit thereon, until the attorney obtains a writing, if any exists, evidencing the debt or a copy of a judgment or the name and address of the original creditor, and a copy of such writing or judgment or the name and address of the original creditor is mailed to the debtor by the attorney or his or her employee.

(h) If any debtor owes multiple debts and makes any single payment to any attorney or his or her employee with respect to the debts, the attorney may not apply such payment to any debt which is disputed by the debtor and, where applicable, shall apply such payment in accordance with the debtor's directions.

(i) A willful breach of this section constitutes cause for the imposition of discipline of the attorney in accordance with Section 6077.

CHAPTER 119

An act relating to alcoholic beverages, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 15, 1984. Filed with Secretary of State May 15, 1984]

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds that due to the expected additional traffic and congestion which the Olympic Games are likely to cause, it is necessary to permit the wholesale delivery of alcoholic beverages to on-sale and off-sale licensees located in the general area of the games during any hour of the night or day during a reasonable time period before, during, and after the games.

SEC. 2. Notwithstanding the provisions of Section 25633 of the Business and Professions Code, it shall be lawful for any wholesaler of alcoholic beverages to deliver alcoholic beverages at any time of day during the period starting at 12 a.m. on July 18, 1984, and ending at 12 a.m. on August 18, 1984, to any person holding an on-sale or off-sale license at a licensed premise which is located within the City of Anaheim and within the following geographic boundaries: starting at the intersection of the boundary between Orange County and Los Angeles County with the Pacific Ocean, going northerly to the intersection of that boundary with the Whittier Boulevard; thence along Whittier Boulevard northwesterly to its intersection with Rosemead Boulevard; thence northerly along Rosemead Boulevard to the intersection with the southern boundary of the City of Pasadena; thence along the city boundary of the City of Pasadena east, then north, then west, then south (so as to include the City of Pasadena) to its intersection with Route 134; thence westerly on

Route 134 to its intersection with Route 101; thence westerly on Route 101 to its intersection with Topanga Canyon Road thence southerly along Topanga Canyon Road to its end; thence southerly to the Pacific Ocean; and thence southeasterly along the coastline of the Pacific Ocean to the point of beginning. The boundary shall be deemed to run along the centerline of each roadway specified.

SEC. 3. This act shall be operative until August 19, 1984, and on that date is repealed.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that this legislation may take effect and be in operation for the Olympics which are to be conducted in the summer of 1984, it is necessary that this act go into immediate effect.

CHAPTER 120

An act relating to the Habilitation Services Program, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 15, 1984. Filed with Secretary of State May 15, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds that the Habilitation Services Program caseload growth figures contained in the Budget Act of 1983 are seriously underestimated, and the resulting funding deficiency denies work training habilitation services to many eligible developmentally disabled Californians, and reduces work training habilitation services to thousands of other developmentally disabled Californians.

SEC. 2. The sum of three million three hundred thousand dollars ($3,300,000) is hereby appropriated from the General Fund to the Department of Rehabilitation for the Habilitation Services Program for expenditure as follows:

(a) All funds appropriated pursuant to this section may, subject to the condition specified in subdivision (b), be expended during the 1983–84 fiscal year in order to provide work-activity services funding, the needed amount of which was underestimated in the Budget Act of 1983. Specifically, the funds appropriated pursuant to this subdivision are necessary in order to cover all of the following funding deficiencies:

(1) Funds required to cover persons currently in the program.

(2) Funds required to cover those persons on a waiting list.

(3) Funds required to cover persons entering the program.

(4) Funds required to cover retroactively those persons served but for whom work-activity programs did not bill the Department of Rehabilitation.

(b) Notwithstanding the provisions of this section, the Department of Rehabilitation shall expend not more than one million one hundred thousand dollars ($1,100,000) of the funds appropriated pursuant to this section, unless Assembly Bill 1569 is enacted by the Legislature during the 1983–84 Regular Session, and is signed by the Governor.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Adults with developmental disabilities receive habilitation services pursuant to Chapter 4.5 (commencing with Section 19350) of Part 2 of Division 10 of the Welfare and Institutions Code. In order to ensure that these vital services are preserved and maintained, it is necessary that this act take effect immediately.

CHAPTER 121

An act to amend Section 25251 of the Vehicle Code, relating to vehicles.

[Approved by Governor May 15, 1984 Filed with Secretary of State May 15, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 25251 of the Vehicle Code is amended to read:

25251. (a) Flashing lights are permitted on vehicles as follows:

(1) To indicate an intention to turn or move to the right or left upon a roadway, turn signal lamps and turn signal exterior pilot indicator lamps and side lamps permitted under Section 25106 may be flashed on the side of a vehicle toward which the turn or movement is to be made.

(2) When disabled upon the roadway or when disabled or parked off the roadway but within 10 feet thereof, turn signal lamps may be flashed as warning lights if the front turn signal lamps at each side are being flashed simultaneously and the rear turn signal lamps at each side are being flashed simultaneously.

(3) To warn other motorists of accidents or hazards on a roadway, turn signal lamps may be flashed as warning lights while the vehicle is approaching, overtaking, or passing the accident or hazard on the roadway if the front turn signal lamps at each side are being flashed simultaneously and the rear turn signal lamps at each side are being flashed simultaneously.

(4) For use on authorized emergency vehicles.

(5) To warn other motorists of a funeral procession, turn signal lamps may be flashed as warning lights on all vehicles actually engaged in a funeral procession, if the front turn signal lamps at each side are being flashed simultaneously and the rear turn signal lamps at each side are being flashed simultaneously.

(b) Side lamps permitted under Section 25106 and used in conjunction with turn signal lamps may be flashed with the turn signal lamps as part of the warning light system, as provided in paragraphs (2) and (3) of subdivision (a).

(c) Required or permitted lamps on a trailer or semitrailer may flash when the trailer or semitrailer has broken away from the towing vehicle and the connection between the vehicles is broken.

(d) Hazard warning lights, as permitted by paragraphs (2) and (3) of subdivision (a) may be flashed in a repeating series of short and long flashes when the driver is in need of help.

CHAPTER 122

An act relating to agricultural inspection stations, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 15, 1984. Filed with Secretary of State May 15, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Notwithstanding Sections 26401 and 26403 of the Public Resources Code, the sum of one hundred fifty-five thousand dollars ($155,000) is hereby appropriated first from the Resources Account in the Energy and Resources Fund, and, if the total funds necessary are not available in that account, then from the Energy Account in the Energy and Resources Fund, to the Department of Transportation for preparation of working drawings, a federally required environmental document, and property acquisition for a new border inspection facility at Hornbrook on Interstate Route 5.

SEC. 2. Due to the emergency nature of the project, the project of constructing a new border inspection facility at Hornbrook on Interstate Route 5, as specified in Section 1 of this act, is exempt from the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to protect this state's environment and economy, serious plant and animal pests and diseases must be prevented entry into

California. Entry is prevented through the operation of border inspection stations. The current border station at Mount Shasta has proven to be located too far in the interior of the state to be effective. The current stations have left the northern portion of California unprotected from pests. The recent infestations of the apple maggot and the gypsy moth are examples. These infestations present a serious threat to California's forests, recreational areas, agricultural and urban environments, and economy. It is essential that agricultural border inspection stations be constructed at the California-Oregon border in Siskiyou County before future infestations occur.

Therefore, it is necessary that this act take effect immediately.

CHAPTER 123

An act to amend Section 11001 of the Revenue and Taxation Code, and to amend Sections 42205 and 42270 of the Vehicle Code, relating to vehicles.

[Approved by Governor May 18, 1984. Filed with Secretary of State May 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 11001 of the Revenue and Taxation Code is amended to read:

11001. (a) All money collected by the department for accepted applications under this part shall be reported monthly to the Controller and, at the same time, deposited in the State Treasury to the credit of the Motor Vehicle License Fee Account in the Transportation Tax Fund.

Any reference in any law or regulation to the Motor Vehicle License Fee Fund shall be deemed to refer to the Motor Vehicle License Fee Account in the Transportation Tax Fund.

(b) The amount of any penalties collected by the department, as provided in Sections 9553 and 9554 of the Vehicle Code and Sections 10770 and 10854 of this code, shall, for purposes of subdivision (a), be deemed to be a percentage of the total fees allocated under this section and under Section 42270 of the Vehicle Code equal to that percentage of the weight fee, registration fee, and vehicle license fee obtained when applying the total of these fees collected, excluding use tax, against the individual weight fees, registration fees, and vehicle license fees collected on each application. Penalties which cannot be allocated in accordance with this subdivision shall be allocated according to subdivision (c).

(c) The amount of any penalties collected by the department, as provided in Sections 9553 and 9554 of the Vehicle Code and Sections 10770 and 10854 of this code which cannot be allocated pursuant to

subdivision (b), shall, for purposes of subdivision (a), be deemed to be a percentage of the total fees allocated under this section and under Section 42270 of the Vehicle Code equal to that percentage of the ratio based on the fees previously allocated under this section and under Section 42270 of the Vehicle Code in the fiscal year preceding the calendar year for which the penalties are to be allocated. That ratio shall be reevaluated periodically and shall be adjusted to reflect any change in the fee structure that may be provided in this code or in Division 3 (commencing with Section 4000) of the Vehicle Code.

SEC. 2. Section 42205 of the Vehicle Code is amended to read:

42205. Notwithstanding Chapter 3 (commencing with Section 42270), the department shall file, at least monthly with the Controller, a report of money received by the department pursuant to Section 9400 for the previous month and shall, at the same time, remit all money so reported to the Treasurer. On order of the Controller, the Treasurer shall deposit all money so remitted in the State Highway Account in the State Transportation Fund.

The Controller shall transfer from the State Highway Account in the State Transportation Fund to the Motor Vehicle Account in the State Transportation Fund amounts equal to the costs incurred by the department in performing its duties pursuant to Article 3 (commencing with Section 9400) of Chapter 6 of Division 3. These amounts shall be determined so that the appropriate costs for registration and weight fee collection activities are appropriated between the recipients of revenues in proportion to the revenues received by the recipients.

SEC. 3. Section 42270 of the Vehicle Code is amended to read:

42270. (a) The Department of Motor Vehicles and the Department of the California Highway Patrol each shall file, at least monthly with the Controller, a report of money received by the department covering all fees for applications accepted by the department and all other moneys received by the department under this code and, at the same time, shall remit all money so reported to the Treasurer. On order of the Controller, the Treasurer shall deposit in the Motor Vehicle Account in the State Transportation Fund, into which is merged the Motor Vehicle Account in the Transportation Tax Fund, all moneys so reported and remitted.

Any reference in any law or regulation to the Motor Vehicle Fund, or to the Motor Vehicle Account in the Transportation Tax Fund, shall be deemed to refer to the Motor Vehicle Account in the State Transportation Fund, which is created by subdivision (a) of Section 42271.

(b) The amount of any penalties collected by the department pursuant to Sections 9553 and 9554 of this code and Sections 10770 and 10854 of the Revenue and Taxation Code shall, for purposes of subdivision (a), be deemed to be a percentage of the weight fee, registration fee, and vehicle license fee obtained when applying the total of these fees collected, excluding use tax, against the individual weight fees, registration fees, and vehicle license fees collected on

each application. Penalties which cannot be allocated in accordance with this subdivision shall be allocated according to subdivision (c).

(c) The amount of any penalties collected by the department, as provided in Sections 9553 and 9554 of this code and Sections 10770 and 10854 of the Revenue and Taxation Code which cannot be allocated in accordance with subdivision (b), shall, for the purposes of subdivision (a), be deemed to be a percentage of the total fees allocated under this section and under Section 11001 of the Revenue and Taxation Code equal to that percentage of the ratio based on the fees previously allocated under this section and under Section 1101 of the Revenue and Taxation Code in the fiscal year preceding the calendar year for which the penalties are to be allocated. That ratio shall be reevaluated periodically and shall be adjusted to reflect any change in the fee structure that may be provided in this code or in Part 5 (commencing with Section 10701) of Division 2 of the Revenue and Taxation Code.

CHAPTER 124

An act to amend Section 41015 of the Education Code and to amend Section 53600 of the Government Code, relating to school funds.

[Approved by Governor May 18, 1984. Filed with Secretary of State May 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 41015 of the Education Code is amended to read:

41015. The governing board of any school district which has funds in a special reserve fund of the district or any surplus moneys not required for the immediate necessities of the district, is hereby authorized to invest all or any part of such funds in any of the investments specified in Section 53601 of the Government Code. Notwithstanding any other provision of law, interest earned on funds representing the proceeds of bonds of the district shall be deposited and retained in the interest and sinking fund of the district to meet the principal and interest falling due on such bonds.

SEC. 2. Section 53600 of the Government Code is amended to read:

53600. As used in this article, "local agency" means county, city, school district, public district, county board of education, county superintendent of schools, or any public or municipal corporation.

CHAPTER 125

An act to amend Section 35061 of the Government Code, relating to local agencies.

[Approved by Governor May 18, 1984 Filed with Secretary of State May 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 35061 of the Government Code is amended to read:

35061. (a) Any resolution adopted pursuant to this part which orders the incorporation of a city, a change of organization, or a municipal reorganization subject to confirmation by the voters upon the question of the incorporation, change of organization, or municipal reorganization shall satisfy all of the following requirements:

(1) Call, provide for, and give notice of a special election upon the question.

(2) Designate the affected territory within which the special election shall be held.

(3) Fix a date of election.

(4) Provide for the question to be submitted to the voters.

(5) Specify any terms or conditions provided for in the incorporation, change of organization, or municipal reorganization.

(6) State the vote required for confirmation of incorporation, change of organization, or municipal reorganization.

(7) Contain such other matters as may be necessary to call, provide for, and give notice of the special election and to provide for the conduct of the election and the canvass of returns of the election.

(b) Any resolution referred to in subdivision (a) may also designate precincts and polling places.

CHAPTER 126

An act to amend Section 16251 of the Vehicle Code, relating to vehicles.

[Approved by Governor May 18, 1984. Filed with Secretary of State May 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 16251 of the Vehicle Code is amended to read:

16251. As used in this chapter and Chapter 3 (commencing with Section 16430), "cause of action" means any cause of action for

damage to property in excess of five hundred dollars ($500) or for damage in any amount on account of bodily injury to or death of any person resulting from the operation by the defendant or any other person of any motor vehicle upon a highway in this state, except a cause of action based upon statutory liability by reason of signing the application of a minor for a driver's license.

CHAPTER 127

An act to add Section 25257.5 to the Vehicle Code, relating to vehicles.

[Approved by Governor May 18, 1984. Filed with Secretary of State May 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 25257.5 is added to the Vehicle Code, to read:

25257.5. To warn other motorists or pedestrians on a roadway during a backing maneuver, the operator of a schoolbus may flash turn signal lamps if the front turn signal lamps at each side are flashed simultaneously and the rear signal lamps at each side are flashed simultaneously.

CHAPTER 128

An act to amend Section 23116 of the Vehicle Code, relating to vehicles.

[Approved by Governor May 18, 1984. Filed with Secretary of State May 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 23116 of the Vehicle Code is amended to read:

23116. (a) No person driving a motortruck shall transport any minor under the age of 12 years in the back of the motortruck in a space intended for any load on the vehicle on a highway unless the space is enclosed to a height of 46 inches extending vertically from the floor, the vehicle has installed means of preventing the minor from being discharged, or the minor is secured to the vehicle in a manner which will prevent the minor from being thrown, falling, or jumping from the vehicle.

(b) This section does not apply to the transportation of a minor under the age of 12 years in the back of the motortruck when the

minor is accompanied by an adult over the age of 18 years in the back of the motortruck.

CHAPTER 129

An act to amend Section 22500.1 of the Vehicle Code, relating to vehicles, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 18, 1984. Filed with Secretary of State May 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 22500.1 of the Vehicle Code is amended to read:

22500.1. In addition to Section 22500, no person shall stop, park, or leave standing any vehicle, whether attended or unattended, except when necessary to avoid conflict with other traffic or in compliance with the directions of a peace officer or official traffic control device along the edge of any highway, at any curb, or in any location in a publicly or privately owned or operated off-street parking facility, designated as a fire lane by the fire department or fire district with jurisdiction over the area in which the place is located.

The designation shall be indicated (1) by a sign posted immediately adjacent to, and visible from, the designated place clearly stating in letters not less than one inch in height that the place is a fire lane, (2) by outlining or painting the place in red and, in contrasting color, marking the place with the words "FIRE LANE", which are clearly visible from a vehicle, or (3) by a red curb or red paint on the edge of the roadway upon which is clearly marked the words "FIRE LANE".

SEC. 2. The amendments to Section 22500.1 of the Vehicle Code made by Section 1 of this act do not constitute a change in, but are declaratory of, the existing law.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to clarify the law on fire lanes without delay, it is necessary that this bill take effect immediately.

CHAPTER 130

An act to amend Section 120053 of the Public Utilities Code, relating to transportation.

[Approved by Governor May 18, 1984. Filed with Secretary of State May 21, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 120053 of the Public Utilities Code is amended to read:

120053. The San Diego Metropolitan Transit Development Board may, at any time assume the operation of the San Diego Transit Corporation.

CHAPTER 131

An act to amend Section 25008 of, and to add Section 24757 to, the Business and Professions Code, relating to alcoholic beverages, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 18, 1984. Filed with Secretary of State May 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 24757 is added to the Business and Professions Code, to read:

24757. (a) Any trade association having as members licensed distilled spirits manufacturers or licensed distilled spirits wholesalers representing more than half of the volume of distilled spirits sold in California for three months prior to the date of a filing of any suit authorized in this chapter may maintain an action to enjoin a continuance of any act or acts in violation of this chapter or any rule adopted pursuant thereto and, if injured thereby, for the recovery of damages. If in the action the court finds the defendant is violating or has violated any of the provisions of this chapter or any rule adopted pursuant thereto, the court shall enjoin the defendant from a continuance or further violation thereof. It shall not be necessary that actual damages to the plaintiff be alleged or proved in the action, and proof of a violation of this chapter or any rule adopted pursuant thereto shall be presumptive evidence of an intention to continue to violate this chapter or any such rule.

(b) Any trade association having as members licensed distilled spirits manufacturers or licensed distilled spirits wholesalers representing more than half of the volume of distilled spirits sold in California for three months prior to the date of a filing of a petition

to intervene shall, upon the filing of the petition, be permitted to intervene as a party in any proceeding, whether before the department, any other administrative agency, or any court, which involves, in whole or part, the validity of any portion of the Alcoholic Beverage Control Act or of any rule adopted pursuant thereto. Intervention shall be permitted, upon petition, at any time before a final determination or adjudication has been rendered in the proceeding. In the case of an adjudicatory proceeding, an intervening trade association shall have the same right to participate in discovery and trial as any other party.

SEC. 2. Section 25008 of the Business and Professions Code is amended to read:

25008. (a) Any trade association having as members licensed beer manufacturers or licensed beer wholesalers representing more than half of the volume of beer sold in California for three months prior to the date of a filing of any suit authorized in this chapter may maintain an action to enjoin a continuance of any act or acts in violation of this chapter or any rule adopted pursuant thereto and, if injured thereby, for the recovery of damages. If in the action the court finds the defendant is violating or has violated any of the provisions of this chapter or any rule adopted pursuant thereto, the court shall enjoin the defendant from a continuance or further violation thereof. It shall not be necessary that actual damages to the plaintiff be alleged or proved in the action, and proof of a violation of this chapter or any rule adopted pursuant thereto shall be presumptive evidence of an intention to continue to violate this chapter or any such rule.

(b) Any trade association having as members licensed beer manufacturers or licensed beer wholesalers representing more than half of the volume of beer sold in California for three months prior to the date of a filing of a petition to intervene shall, upon the filing of the petition, be permitted to intervene as a party in any proceeding, whether before the department, any other administrative agency, or any court, which involves, in whole or part, the validity of any portion of the Alcoholic Beverage Control Act or of any rule adopted pursuant thereto. Intervention shall be permitted, upon petition, at any time before a final determination or adjudication has been rendered in the proceeding. In the case of an adjudicatory proceeding, an intervening trade association shall have the same right to participate in discovery and trial as any other party.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that interested parties may intervene in actions affecting statutes or regulations and maintain the integrity of the law when designated state agencies may not have sufficent funds to properly defend those actions, it is necessary that this act go into immediate effect.

CHAPTER 132

An act to amend Section 66801 of the Government Code, relating to the Tahoe transportation district, and declaring the urgency thereof, to take effect immediately.

[Became law without Governor's signature Filed with Secretary of State May 22, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 66801 of the Government Code is amended to read:

66801. The provisions of this interstate compact executed between the States of Nevada and California are as follows:

TAHOE REGIONAL PLANNING COMPACT

ARTICLE I. FINDINGS AND DECLARATIONS OF POLICY

(a) It is found and declared that:

(1) The waters of Lake Tahoe and other resources of the region are threatened with deterioration or degeneration, which endangers the natural beauty and economic productivity of the region.

(2) The public and private interests and investments in the region are substantial.

(3) The region exhibits unique environmental and ecological values which are irreplaceable.

(4) By virtue of the special conditions and circumstances of the region's natural ecology, developmental pattern, population distribution and human needs, the region is experiencing problems of resource use and deficiencies of environmental control.

(5) Increasing urbanization is threatening the ecological values of the region and threatening the public opportunities for use of the public lands.

(6) Maintenance of the social and economic health of the region depends on maintaining the significant scenic, recreational, educational, scientific, natural and public health values provided by the Lake Tahoe Basin.

(7) There is a public interest in protecting, preserving and enhancing these values for the residents of the region and for visitors to the region.

(8) Responsibilities for providing recreational and scientific opportunities, preserving scenic and natural areas, and safeguarding the public who live, work and play in or visit the region are divided among local governments, regional agencies, the States of California and Nevada, and the Federal Government.

(9) In recognition of the public investment and multistate and

national significance of the recreational values, the Federal Government has an interest in the acquisition of recreational property and the management of resources in the region to preserve environmental and recreational values, and the Federal Government should assist the states in fulfilling their responsibilities.

(10) In order to preserve the scenic beauty and outdoor recreational opportunities of the region, there is a need to insure an equilibrium between the region's natural endowment and its man-made environment.

(b) In order to enhance the efficiency and governmental effectiveness of the region, it is imperative that there be established a Tahoe Regional Planning Agency with the powers conferred by this compact including the power to establish environmental threshold carrying capacities and to adopt and enforce a regional plan and implementing ordinances which will achieve and maintain such capacities while providing opportunities for orderly growth and development consistent with such capacities.

(c) The Tahoe Regional Planning Agency shall interpret and administer its plans, ordinances, rules and regulations in accordance with the provisions of this compact.

ARTICLE II. DEFINITIONS

As used in this compact:

(a) "Region," includes Lake Tahoe, the adjacent parts of Douglas and Washoe Counties and Carson City, which for the purposes of this compact shall be deemed a county, lying within the Tahoe Basin in the State of Nevada, and the adjacent parts of the Counties of Placer and El Dorado lying within the Tahoe Basin in the State of California, and that additional and adjacent part of the County of Placer outside of the Tahoe Basin in the State of California which lies southward and eastward of a line starting at the intersection of the basin crestline and the north boundary of Section 1, thence west to the northwest corner of Section 3, thence south to the intersection of the basin crestline and the west boundary of Section 10; all sections referring to Township 15 North, Range 16 East, M.D.B. & M. The region defined and described herein shall be as precisely delineated on official maps of the agency.

(b) "Agency" means the Tahoe Regional Planning Agency.

(c) "Governing body" means the governing board of the Tahoe Regional Planning Agency.

(d) "Regional Plan" means the long-term general plan for the development of the region.

(e) "Planning commission" means the advisory planning commission appointed pursuant to subdivision (h) of Article III.

(f) "Gaming" means to deal, operate, carry on, conduct, maintain or expose for play any banking or percentage game played with cards, dice or any mechanical device or machine for money, property, checks, credit or any representative of value, including,

without limiting the generality of the foregoing, faro, monte, roulette, keno, bingo, fantan, twenty-one, blackjack, seven-and-a-half, big injun, klondike, craps, stud poker, draw poker or slot machine, but does not include social games played solely for drinks, or cigars or cigarettes served individually, games played in private homes or residences for prizes or games operated by charitable or educational organizations, to the extent excluded by applicable state law.

(g) "Restricted gaming license" means a license to operate not more than 15 slot machines on which a quarterly fee is charged pursuant to NRS 463.373 and no other games.

(h) "Project" means an activity undertaken by any person, including any public agency, if the activity may substantially affect the land, water, air, space or any other natural resources of the region.

(i) "Environmental threshold carrying capacity" means an environmental standard necessary to maintain a significant scenic, recreational, educational, scientific or natural value of the region or to maintain public health and safety within the region. Such standards shall include but not be limited to standards for air quality, water quality, soil conservation, vegetation preservation and noise.

(j) "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social and technological factors.

(k) "Areas open to public use" means all of the areas within a structure housing gaming under a nonrestricted license except areas devoted to the private use of guests.

(*l*) "Areas devoted to private use of guests" means hotel rooms and hallways to serve hotel room areas, and any parking areas. A hallway serves hotel room areas if more than 50 percent of the areas of each side of the hallway are hotel rooms.

(m) "Nonrestricted license" means a gaming license which is not a restricted gaming license.

ARTICLE III. ORGANIZATION

(a) There is created the Tahoe Regional Planning Agency as a separate legal entity.

The governing body of the agency shall be constituted as follows:

(1) California delegation:

(A) One member appointed by each of the County Boards of Supervisors of the Counties of El Dorado and Placer and one member appointed by the City Council of the City of South Lake Tahoe. Any such member may be a member of the county board of supervisors or city council, respectively, and shall reside in the territorial jurisdiction of the governmental body making the appointment.

(B) Two members appointed by the Governor of California, one member appointed by the Speaker of the Assembly of California and

one member appointed by the Senate Rules Committee of the State of California. The members appointed pursuant to this subparagraph shall not be residents of the region and shall represent the public at large within the State of California.

(2) Nevada delegation:

(A) One member appointed by each of the boards of county commissioners of Douglas and Washoe Counties and one member appointed by the Board of Supervisors of Carson City. Any such member may be a member of the board of county commissioners or board of supervisors, respectively, and shall reside in the territorial jurisdiction of the governmental body making the appointment.

(B) One member appointed by the governor of Nevada, the Secretary of State of Nevada or his designee, and the director of the state department of conservation and natural resources of Nevada or his designee. Except for the secretary of state and the director of the state department of conservation and natural resources, the members or designees appointed pursuant to this subparagraph shall not be residents of the region. All members appointed pursuant to this subparagraph shall represent the public at large within the State of Nevada.

(C) One member appointed for a 1-year term by the six other members of the Nevada delegation. If at least four members of the Nevada delegation are unable to agree upon the selection of a seventh member within 60 days after the effective date of the amendments to this compact or the occurrence of a vacancy on the governing body for that state the Governor of the State of Nevada shall make such an appointment. The member appointed pursuant to this subparagraph may, but is not required to, be a resident of the region within the State of Nevada.

(3) If any appointing authority under paragraph (1) (A), (1) (B), (2) (A) or (2) (B) fails to make such an appointment within 60 days after the effective date of the amendments to this compact or the occurrence of a vacancy on the governing body, the governor of the state in which the appointing authority is located shall make the appointment. The term of any member so appointed shall be 1 year.

(4) The position of any member of the governing body shall be deemed vacant if such a member is absent from three consecutive meetings of the governing body in any calendar year.

(5) Each member and employee of the agency shall disclose his economic interest in the region within 10 days after taking his seat on the governing board or being employed by the agency and shall thereafter disclose any further economic interest which he acquires, as soon as feasible after he acquires it. As used in this paragraph, "economic interests" means:

(A) Any business entity operating in the region in which the member or employee has a direct or indirect investment worth more than $1,000.

(B) Any real property located in the region in which the member or employee has a direct or indirect interest worth more than $1,000.

(C) Any source of income attributable to activities in the region, other than loans by or deposits with a commercial lending institution in the regular course of business, aggregating $250 or more in value received by or promised to the member within the preceding 12 months; or

(D) Any business entity operating in the region in which the member or employee is a director, officer, partner, trustee, employee or holds any position of management.

No member or employee of the agency shall make, or attempt to influence, an agency decision in which he knows or has reason to know he has an economic interest. Members and employees of the agency must disqualify themselves from making or participating in the making of any decision of the agency when it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on the economic interests of the member or employee.

(b) The members of the agency shall serve without compensation, but the expenses of each member shall be met by the body which he represents in accordance with the law of that body. All other expenses incurred by the governing body in the course of exercising the powers conferred upon it by this compact unless met in some other manner specifically provided, shall be paid by the agency out of its own funds.

(c) Except for the Secretary of State and Director of the State Department of Conservation and Natural Resources of Nevada and the member appointed pursuant to subdivision (a) (2) (C), the members of the governing body serve at the pleasure of the appointing authority in each case, but each appointment shall be reviewed no less often than every 4 years. Members may be reappointed.

(d) The governing body of the agency shall meet at least monthly. All meetings shall be opened to the public to the extent required by the law of the State of California or the State of Nevada, whichever imposes the greater requirement, applicable to local governments at the time such meeting is held. The governing body shall fix a date for its regular monthly meeting in such terms as the "the first Monday of each month," and shall not change such date more often than once in any calendar year. Notice of the date so fixed shall be given by publication at least once in a newspaper or combination of newspapers whose circulation is general throughout the region and in each county a portion of whose territory lies within the region. Notice of any special meeting, except an emergency meeting, shall be given by so publishing the date, and place and posting an agenda at least 5 days prior to the meeting.

(e) The position of a member of the governing body shall be considered vacated upon his loss of any of the qualifications required for his appointment and in such event the appointing authority shall appoint a successor.

(f) The governing body shall elect from its own members a

chairman and vice chairman, whose terms of office shall be 2 years, and who may be reelected. If a vacancy occurs in either office, the governing body may fill such vacancy for the unexpired term.

(g) Four of the members of the governing body from each state constitute a quorum for the transaction of the business of the agency. The voting procedures shall be as follows:

(1) For adopting, amending or repealing environmental threshold carrying capacities, the regional plan, and ordinances, rules and regulations, and for granting variances from the ordinances, rules and regulations, the vote of at least four of the members of each state agreeing with the vote of at least four members of the other state shall be required to take action. If there is no vote of at least four of the members from one state agreeing with the vote of at least four of the members of the other state on the actions specified in this paragraph, an action of rejection shall be deemed to have been taken.

(2) For approving a project, the affirmative vote of at least five members from the state in which the project is located and the affirmative vote of at least nine members of the governing body are required. If at least five members of the governing body from the state in which the project is located and at least nine members of the entire governing body do not vote in favor of the project, upon a motion for approval, an action of rejection shall be deemed to have been taken. A decision by the agency to approve a project shall be supported by a statement of findings, adopted by the agency, which indicates that the project complies with the regional plan and with applicable ordinances, rules and regulations of the agency.

(3) For routine business and for directing the agency's staff on litigation and enforcement actions, at least eight members of the governing body must agree to take action. If at least eight votes in favor of such action are not cast, an action of rejection shall be deemed to have been taken.

Whenever under the provisions of this compact or any ordinance, rule, regulation or policy adopted pursuant thereto, the agency is required to review or approve any project, public or private, the agency shall take final action by vote, whether to approve, to require modification or to reject such project, within 180 days after the application for such project is accepted as complete by the agency in compliance with the agency's rules and regulations governing such delivery unless the applicant has agreed to an extension of this time limit. If a final action by vote does not take place within 180 days, the applicant may bring an action in a court of competent jurisdiction to compel a vote unless he has agreed to an extension. This provision does not limit the right of any person to obtain judicial review of agency action under subdivision (h) of Article VI. The vote of each member of the governing body shall be individually recorded. The governing body shall adopt its own rules, regulations and procedures.

(h) An advisory planning commission shall be appointed by the

agency. The commission shall include: the chief planning officers of Placer County, El Dorado County, and the City of South Lake Tahoe in California and of Douglas County, Washoe County and Carson City in Nevada. the executive officer of the Lahontan Regional Water Quality Control Board of the State of California, the executive officer of the Air Resources Board of the State of California, the Director of the State Department of Conservation and Natural Resources of the State of Nevada, the Administrator of the Division of Environmental Protection in the State Department of Conservation and Natural Resources of the State of Nevada, the Administrator of the Lake Tahoe Management Unit of the United States Forest Service, and at least four lay members with an equal number from each state, at least half of whom shall be residents of the region. Any official member may designate an alternate.

The term of office of each lay member of the advisory planning commission shall be 2 years. Members may be reappointed. The position of each member of the advisory planning commission shall be considered vacated upon loss of any of the qualifications required for appointment, and in such an event the appointing authority shall appoint a successor.

The advisory planning commission shall elect from its own members a chairman and a vice chairman, whose terms of office shall be 2 years and who may be reelected. If a vacancy occurs in either office, the advisory planning commission shall fill such vacancy for the unexpired term.

A majority of the members of the advisory planning commission constitutes a quorum for the transaction of the business of the commission. A majority vote of the quorum present shall be required to take action with respect to any matter.

(i) The agency shall establish and maintain an office within the region, and for this purpose the agency may rent or own property and equipment. Every plan, ordinance and other record of the agency which is of such nature as to constitute a public record under the law of either the State of California or the State of Nevada shall be opened to inspection and copying during regular office hours.

(j) Each authority charged under this compact or by the law of either state with the duty of appointing a member of the governing body of the agency shall by certified copy of its resolution or other action notify the Secretary of State of its own state of the action taken.

ARTICLE IV. PERSONNEL

(a) The governing body shall determine the qualification of, and it shall appoint and fix the salary of, the executive officer of the agency, and shall employ such other staff and legal counsel as may be necessary to execute the powers and functions provided for under this compact or in accordance with any intergovernmental contracts or agreements the agency may be responsible for administering.

(b) Agency personnel standards and regulations shall conform insofar as possible to the regulations and procedures of the civil service of the State of California or the State of Nevada, as may be determined by the governing body of the agency; and shall be regional and bistate in application and effect; provided that the governing body may, for administrative convenience and at its discretion, assign the administration of designated personnel arrangements to an agency of either state, and provided that administratively convenient adjustments be made in the standards and regulations governing personnel assigned under intergovernmental agreements.

(c) The agency may establish and maintain or participate in such additional programs of employee benefits as may be appropriate to afford employees of the agency terms and conditions of employment similar to those enjoyed by employees of California and Nevada generally.

ARTICLE V. PLANNING

(a) In preparing each of the plans required by this article and each amendment thereto, if any, subsequent to its adoption, the planning commission after due notice shall hold at least one public hearing which may be continued from time to time, and shall review the testimony and any written recommendations presented at such hearing before recommending the plan or amendment. The notice required by this subdivision shall be given at least 20 days prior to the public hearing by publication at least once in a newspaper or combination of newspapers whose circulation is general throughout the region and in each county a portion of whose territory lies within the region.

The planning commission shall then recommend such plan or amendment to the governing body for adoption by ordinance. The governing body may adopt, modify or reject the proposed plan or amendment, or may initiate and adopt a plan or amendment without referring it to the planning commission. If the governing body initiates or substantially modifies a plan or amendment, it shall hold at least one public hearing thereon after due notice as required in this subdivision. If a request is made for the amendment of the regional plan by:

(1) A political subdivision a part of whose territory would be affected by such amendment; or

(2) The owner or lessee of real property which would be affected by such amendment, the governing body shall complete its action on such amendment within 180 days after such request is accepted as complete according to standards which must be prescribed by ordinance of the agency.

(b) The agency shall develop, in cooperation with the States of California and Nevada, environmental threshold carrying capacities for the region. The agency should request the President's Council on

Environmental Quality, the United States Forest Service and other appropriate agencies to assist in developing such environmental threshold carrying capacities. Within 18 months after the effective date of the amendments to this compact, the agency shall adopt environmental threshold carrying capacities for the region.

(c) Within 1 year after the adoption of the environmental threshold carrying capacities for the region, the agency shall amend the regional plan so that, at a minimum, the plan and all of its elements, as implemented through agency ordinances, rules and regulations, achieves and maintains the adopted environmental threshold carrying capacities. Each element of the plan shall contain implementation provisions and time schedules for such implementation by ordinance. The planning commission and governing body shall continuously review and maintain the regional plan. The regional plan shall consist of a diagram, or diagrams, and text, or texts setting forth the projects and proposals for implementation of the regional plan, a description of the needs and goals of the region and a statement of the policies, standards and elements of the regional plan.

The regional plan shall be a single enforceable plan and include all of the following correlated elements:

(1) A land-use plan for the integrated arrangement and general location and extent of, and the criteria and standards for, the uses of land, water, air, space and other natural resources within the region, including but not limited to, an indication or allocation of maximum population densities and permitted uses.

(2) A transportation plan for the integrated development of a regional system of transportation, including but not limited to parkways, highways, transportation facilities, transit routes, waterways, navigation facilities, public transportation facilities, bicycle facilities, and appurtenant terminals and facilities for the movement of people and goods within the region. The goal of transportation planning shall be:

(A) To reduce the dependency on the automobile by making more effective use of existing transportation modes and of public transit, in order to move people and goods within the region and

(B) To reduce to the extent feasible air pollution which is caused by motor vehicles.

Where increases in capacity are required, the agency shall give preference to providing such capacity through public transportation and public programs and projects related to transportation. The agency shall review and consider all existing transportation plans in preparing its regional transportation plan pursuant to this paragraph.

The plan shall provide for an appropriate transit system for the region.

The plan shall give consideration to:

(A) Completion of the Loop Road in the States of Nevada and California;

(B) Utilization of a light rail mass transit system in the South Shore

area; and

(C) Utilization of a transit terminal in the Kingsbury Grade area.

Until the regional plan is revised, or a new transportation plan is adopted in accordance with this paragraph, the agency has no effective transportation plan.

(3) A conservation plan for the preservation, development, utilization, and management of the scenic and other natural resources within the basin, including but not limited to, soils, shoreline and submerged lands, scenic corridors along transportation routes, open spaces, recreational and historical facilities.

(4) A recreation plan for the development, utilization, and management of the recreational resources of the region, including but not limited to, wilderness and forested lands, parks and parkways, riding and hiking trails, beaches and playgrounds, marinas, areas for skiing and other recreational facilities.

(5) A public services and facilities plan for the general location, scale and provision of public services and facilities, which, by the nature of their function, size, extent and other characteristics are necessary or appropriate for inclusion in the regional plan.

In formulating and maintaining the regional plan, the planning commission and governing body shall take account of and shall seek to harmonize the needs of the region as a whole, the plans of the counties and cities within the region, the plans and planning activities of the state, federal and other public agencies and nongovernmental agencies and organizations which affect or are concerned with planning and development within the region.

(d) The regional plan shall provide for attaining and maintaining federal, state, or local air and water quality standards, whichever are strictest, in the respective portions of the region for which the standards are applicable.

The agency may, however, adopt air or water quality standards or control measures more stringent than the applicable state implementation plan or the applicable federal, state, or local standards for the region, if it finds that such additional standards or control measures are necessary to achieve the purposes of this compact. Each element of the regional plan, where applicable, shall, by ordinance, identify the means and time schedule by which air and water quality standards will be attained.

(e) Except for the Regional Transportation Plan of the California Tahoe Regional Planning Agency, the regional plan, ordinances, rules and regulations adopted by the California Tahoe Regional Planning Agency in effect on July 1, 1980, shall be the regional plan, ordinances, rules and regulations of the Tahoe Regional Planning Agency for that portion of the Tahoe region located in the State of California. Such plan, ordinance, rule or regulation may be amended or repealed by the governing body of the agency. The plans, ordinances, rules and regulations of the Tahoe Regional Planning Agency that do not conflict with, or are not addressed by, the California Tahoe Regional Planning Agency's plans, ordinances,

rules and regulations referred to in this subdivision shall continue to be applicable unless amended or repealed by the governing body of the agency. No provision of the regional plan, ordinances, rules and regulations of the California Tahoe Regional Planning Agency referred to in this subdivision shall apply to that portion of the region within the State of Nevada, unless such provision is adopted for the Nevada portion of the region by the governing body of the agency.

(f) The regional plan, ordinances, rules and regulations of the Tahoe Regional Planning Agency apply to that portion of the region within the State of Nevada.

(g) The agency shall adopt ordinances prescribing specific written findings that the agency must make prior to approving any project in the region. These findings shall relate to environmental protection and shall insure that the project under review will not adversely affect implementation of the regional plan and will not cause the adopted environmental threshold carrying capacities of the region to be exceeded.

(h) The agency shall maintain the data, maps and other information developed in the course of formulating and administering the regional plan, in a form suitable to assure a consistent view of developmental trends and other relevant information for the availability of and use by other agencies of government and by private organizations and individuals concerned.

(i) Where necessary for the realization of the regional plan, the agency may engage in collaborative planning with local governmental jurisdictions located outside the region, but contiguous to its boundaries. In formulating and implementing the regional plan, the agency shall seek the cooperation and consider the recommendations of counties and cities and other agencies of local government, of state and federal agencies, of educational institutions and research organizations, whether public or private, and of civic groups and private persons.

ARTICLE VI. AGENCY'S POWERS

(a) The governing body shall adopt all necessary ordinances, rules, and regulations to effectuate the adopted regional plan. Except as otherwise provided in this compact, every such ordinance, rule or regulation shall establish a minimum standard applicable throughout the region. Any political subdivision or public agency may adopt and enforce an equal or higher requirement applicable to the same subject of regulation in its territory. The regulations of the agency shall contain standards including but not limited to the following: water purity and clarity; subdivision; zoning; tree removal; solid waste disposal; sewage disposal; land fills, excavations, cuts and grading; piers, harbors, breakwaters or channels and other shoreline developments; waste disposal in shoreline areas; waste disposal from boats; mobile-home parks; house relocation; outdoor advertising; flood plain protection; soil and sedimentation control; air pollution;

and watershed protection. Whenever possible without diminishing the effectiveness of the regional plan, the ordinances, rules, regulations and policies shall be confined to matters which are general and regional in application, leaving to the jurisdiction of the respective states, counties and cities the enactment of specific and local ordinances, rules, regulations and policies which conform to the regional plan.

The agency shall prescribe by ordinance those activities which it has determined will not have substantial effect on the land, water, air, space or any other natural resources in the region and therefore will be exempt from its review and approval.

Every ordinance adopted by the agency shall be published at least once by title in a newspaper or combination of newspapers whose circulation is general throughout the region. Except an ordinance adopting or amending the regional plan, no ordinance shall become effective until 60 days after its adoption. Immediately after its adoption, a copy of each ordinance shall be transmitted to the governing body of each political subdivision having territory within the region.

(b) No project other than those to be reviewed and approved under the special provisions of subdivisions (d), (e), (f) and (g) may be developed in the region without obtaining the review and approval of the agency and no project may be approved unless it is found to comply with the regional plan and with the ordinances, rules and regulations enacted pursuant to subdivision (a) to effectuate such plan.

The agency may approve a project in the region only after making the written findings required by this subdivision or subdivision (g) of Article V. Such findings shall be based on substantial evidence in the record.

Before adoption by the agency of the ordinances required in subdivision (g) of Article V, the agency may approve a project in the region only after making written findings on the basis of substantial evidence in the record that the project is consistent with the regional plan then in effect and with applicable plans, ordinances, regulations and standards of federal and state agencies relating to the protection, maintenance and enhancement of environmental quality in the region.

(c) The Legislatures of the States of California and Nevada find that in order to make effective the regional plan as revised by the agency, it is necessary to halt temporarily works of development in the region which might otherwise absorb the entire capability of the region for further development or direct it out of harmony with the ultimate plan. Subject to the limitation provided in this subdivision, from the effective date of the amendments to this compact until the regional plan is amended pursuant to subdivision (c) of Article V, or until May 1, 1983, whichever is earlier:

(1) Except as otherwise provided in this paragraph, no new subdivision, planned unit development, or condominium project

may be approved unless a complete tentative map or plan has been approved before the effective date of the amendments to this compact by all agencies having jurisdiction. The subdivision of land owned by a general improvement district, which existed and owned the land before the effective date of the amendments to this compact, may be approved if subdivision of the land is necessary to avoid insolvency of the district.

(2) Except as provided in paragraph (3), no apartment building may be erected unless the required permits for such building have been secured from all agencies having jurisdiction, prior to the effective date of the amendments to this compact.

(3) During each of the calendar years 1980, 1981, and 1982 no city or county may issue building permits which authorize the construction of a greater number of new residential units within the region than were authorized within the region by building permits issued by that city or county during calendar year 1978. For the period of January through April, 1983 building permits authorizing the construction of no more than ⅓ of that number may be issued by each such city or county. For purposes of this paragraph a "residential unit" means either a single family residence or an individual residential unit within a larger building, such as an apartment building, a duplex or a condominium.

The Legislatures find the respective numbers of residential units authorized within the region during calendar year 1978 to be as follows:

1. City of South Lake Tahoe and El Dorado County (combined)	252
2. Placer County	278
3. Carson City	0
4. Douglas County	339
5. Washoe County	739

(4) During each of the calendar years 1980, 1981 and 1982, no city or county may issue building permits which authorize construction of a greater square footage of new commercial buildings within the region than were authorized within the region by building permits for commercial purposes issued by that city or county during the calendar year 1978. For the period of January through April, 1983 building permits authorizing the construction of no more than ⅓ the amount of that square footage may be issued by each such city or county.

The Legislatures find the respective square footages of commercial buildings authorized within the region during calendar year 1978 to be as follows:

1. City of South Lake Tahoe and El Dorado County (combined)	64,324
2. Placer County	23,000
3. Carson City	0

4. Douglas County 57,354
5. Washoe County 50,600

(5) No structure may be erected to house gaming under a nonrestricted license.

(6) No facility for the treatment of sewage may be constructed or enlarged except:

(A) To comply, as ordered by the appropriate state agency for the control of water pollution, with existing limitations of effluence under the Clean Water Act, 33 U.S.C. S1251 et seq., and the applicable state law for control of water pollution; or

(B) To accommodate development which is not prohibited or limited by this subdivision; or

(C) In the case of Douglas County Sewer District #1, to modify or otherwise alter sewage treatment facilities existing on the effective date of the amendments to this compact so that such facilities will be able to treat the total volume of effluence for which they were originally designed which is 3.0 mgd. Such modification or alteration is not a "project"; is not subject to the requirements of Article VII; and does not require a permit from the agency. Before commencing such modification or alternative, however, the district shall submit to the agency its report identifying any significant soil erosion problems which may be caused by such modifications or alterations and the measures which the district proposes to take to mitigate or avoid such problems.

The moratorium imposed by this subdivision does not apply to work done pursuant to a right vested before the effective date of the amendments to this compact. Notwithstanding the expiration date of the moratorium imposed by this subdivision, no new highway may be built or existing highway widened to accommodate additional continuous lanes for automobiles until the regional transportation plan is revised and adopted.

The moratorium imposed by this subdivision does not apply to the construction of any parking garage which has been approved by the agency prior to May 4, 1979, whether that approval was affirmative or by default. The provisions of this paragraph are not an expression of legislative intent that any such parking garage, the approval of which is the subject of litigation which was pending on the effective date of the amendments to this compact, should, or should not, be constructed. The provisions of this paragraph are intended solely to permit construction of such a parking garage if judgment sustaining the agency's approval to construct that parking garage has become final and no appeal is pending or may lawfully be taken to a higher court.

(d) Subject to the final order of any court of competent jurisdiction entered in litigation contesting the validity of an approval by the Tahoe Regional Planning Agency, whether that approval was affirmative or by default, if that litigation was pending on May 4, 1979, the agency and the States of California and Nevada shall recognize as a

permitted and conforming use:

(1) Every structure housing gaming under a nonrestricted license which existed as a licensed gaming establishment on May 4, 1979, or whose construction was approved by the the Tahoe Regional Planning agency affirmatively or deemed approved before that date. The construction or use of any structure to house gaming under a nonrestricted license not so existing or approved, or the enlargement in cubic volume of any such existing or approved structure is prohibited.

(2) Every other nonrestricted gaming establishment whose use was seasonal and whose license was issued before May 4, 1979, for the same season and for the number and type of games and slot machines on which taxes or fees were paid in the calendar year 1978.

(3) Gaming conducted pursuant to a restricted gaming license issued before May 4, 1979, to the extent permitted by that license on that date. The area within any structure housing gaming under a non-restricted license which may be open to public use (as distinct from that devoted to the private use of guests and exclusive of any parking area) is limited to the area existing or approved for public use on May 4, 1979. Within these limits, any external modification of the structure which requires a permit from a local government also requires approval from the agency. The agency shall not permit restaurants, convention facilities, showrooms or other public areas to be constructed elsewhere in the region outside the structure in order to replace areas existing or approved for public use on May 4, 1979.

(e) Any structure housing licensed gaming may be rebuilt or replaced to a size not to exceed the cubic volume, height and land coverage existing or approved on May 4, 1979, without the review or approval of the agency or any planning or regulatory authority of the State of Nevada whose review or approval would be required for a new structure.

(f) The following provisions apply to any internal or external modification, remodeling, change in use, or repair of a structure housing gaming under a nonrestricted license which is not prohibited by Article VI (d):

(1) The agency's review of an external modification of the structure which requires a permit from a local government is limited to determining whether the external modification will do any of the following:

(A) Enlarge the cubic volume of the structure;

(B) Increase the total square footage of area open to or approved for public use on May 4, 1979;

(C) Convert an area devoted to the private use of guests to an area open to public use;

(D) Increase the public area open to public use which is used for gaming beyond the limits contained in paragraph (3); and

(E) Conflict with or be subject to the provisions of any of the agency's ordinances that are generally applicable throughout the region.

The agency shall make this determination within 60 days after the proposal is delivered to the agency in compliance with the agency's rules or regulations governing such delivery unless the applicant has agreed to an extension of this time limit. If an external modification is determined to have any of the effects enumerated in subparagraphs (A) through (C), it is prohibited. If an external modification is determined to have any of the effects enumerated in subparagraphs (D) or (E), it is subject to the applicable provisions of this compact. If an external modification is determined to have no such effect, it is not subject to the provisions of this compact.

(2) Except as provided in paragraph (3), internal modification, remodeling, change in use or repair of a structure housing gaming under a nonrestricted license is not a project and does not require the review or approval of the agency.

(3) Internal modification, remodeling, change in use or repair of areas open to the public use within a structure housing gaming under a nonrestricted license which alone or in combination with any other such modification, remodeling, change in use or repair will increase the total portion of those areas which are used for gaming by more than the product of the total base area as defined below in square feet existing on or approved before August 4, 1980, multiplied by fifteen percent constitutes a project and is subject to all of the provisions of this compact relating to projects. For purposes of this paragraph and the determination required by Article VI (g), base area means all of the area within a structure housing gaming under a nonrestricted license which may be open to public use, whether or not gaming is actually conducted or carried on in that area, except retail stores, convention centers and meeting rooms, administrative offices, kitchens, maintenance and storage areas, rest rooms, engineering and mechanical rooms, accounting rooms and counting rooms.

(g) In order to administer and enforce the provisions of paragraphs (d), (e) and (f), the State of Nevada, through its appropriate planning or regulatory agency, shall require the owner or licensee of a structure housing gaming under a nonrestricted license to provide:

(1) Documents containing sufficient information for the Nevada agency to establish the following relative to the structure:

(A) The location of its external walls;

(B) Its total cubic volume;

(C) Within its external walls, the area in square feet open or approved for public use and the area in square feet devoted to or approved for the private use of guests on May 4, 1979;

(D) The amount of surface area of land under the structure; and

(E) The base area as defined in paragraph (f) (3) in square feet existing on or approved before August 4, 1980.

(2) An informational report whenever any internal modification, remodeling, change in use, or repair will increase the total portion of the areas open to public use which is used for gaming.

The Nevada agency shall transmit this information to the Tahoe Regional Planning Agency.

(h) Gaming conducted pursuant to a restricted gaming license is exempt from review by the agency if it is incidental to the primary use of the premises.

(i) The provisions of subdivisions (d) and (e) are intended only to limit gaming and related activities as conducted within a gaming establishment, or construction designed to permit the enlargement of such activities, and not to limit any other use of property zoned for commercial use or the accommodation of tourists, as approved by the agency.

(j) Legal actions arising out of or alleging a violation of the provisions of this compact, of the regional plan or of an ordinance or regulation of the agency or of a permit or a condition of a permit issued by the agency are governed by the following provisions:

(1) This subdivision applies to:

(A) Actions arising out of activities directly undertaken by the agency.

(B) Actions arising out of the issuance to a person of a lease, permit, license or other entitlement for use by the agency.

(C) Actions arising out of any other act or failure to act by any person or public agency.

Such legal actions may be filed and the provisions of this subdivision apply equally in the appropriate courts of California and Nevada and of the United States.

(2) Venue lies:

(A) If a civil or criminal action challenges an activity by the agency or any person which is undertaken or to be undertaken upon a parcel or real property, in the state or federal judicial district where the real property is situated.

(B) If an action challenges an activity which does not involve a specific parcel of land (such as an action challenging an ordinance of the agency), in any state or federal court having jurisdiction within the region.

(3) Any aggrieved person may file an action in an appropriate court of the State of California or Nevada or of the United States alleging noncompliance with the provisions of this compact or with an ordinance or regulation of the agency. In the case of governmental agencies, "aggrieved person" means the Tahoe Regional Planning Agency or any state, federal or local agency. In the case of any person other than a governmental agency who challenges an action of the Tahoe Regional Planning Agency, "aggrieved person" means any person who has appeared, either in person, through an authorized representative, or in writing, before the agency at an appropriate administrative hearing to register objection to the action which is being challenged, or who had good cause for not making such an appearance.

(4) A legal action arising out of the adoption or amendment of the regional plan or of any ordinance or regulation of the agency, or out of the granting or denial of any permit, shall be commenced within 60 days after final action by the agency. All other legal actions shall

be commenced within 65 days after discovery of the cause of action.

(5) In any legal action filed pursuant to this subdivision which challenges an adjudicatory act or decision of the agency to approve or disapprove a project, the scope of judicial inquiry shall extend only to whether there was prejudicial abuse of discretion. Prejudicial abuse of discretion is established if the agency has not proceeded in a manner required by law or if the act or decision of the agency was not supported by substantial evidence in light of the whole record. In making such a determination the court shall not exercise its independent judgment on evidence but shall only determine whether the act or decision was supported by substantial evidence in light of the whole record. In any legal action filed pursuant to this subdivision which challenges a legislative act or decision of the agency (such as the adoption of the regional plan and the enactment of implementing ordinances), the scope of the judicial inquiry shall extend only to the questions of whether the act or decision has been arbitrary, capricious or lacking substantial evidentiary support or whether the agency has failed to proceed in a manner required by law.

(6) The provisions of this subdivision do not apply to any legal proceeding pending on the date when this subdivision becomes effective. Any such legal proceeding shall be conducted and concluded under the provisions of law which were applicable prior to the effective date of this subdivision.

(7) The security required for the issuance of a temporary restraining order or preliminary injunction based upon an alleged violation of this compact or any ordinance, plan, rule or regulation adopted pursuant thereto is governed by the rule or statute applicable to the court in which the action is brought unless the action is brought by a public agency or political subdivision to enforce its own rules, regulations and ordinances in which case no security shall be required.

(k) The agency shall monitor activities in the region and may bring enforcement actions in the region to ensure compliance with the regional plan and adopted ordinances, rules, regulations and policies. If it is found that the regional plan, or ordinances, rules, regulations and policies are not being enforced by a local jurisdiction, the agency may bring action in a court of competent jurisdiction to ensure compliance.

(*l*) Any person who violates any provision of this compact or of any ordinance or regulation of the agency or of any condition of approval imposed by the agency is subject to a civil penalty not to exceed $5,000. Any such person is subject to an additional civil penalty not to exceed $5,000 per day, for each day on which such a violation persists. In imposing the penalties authorized by this subdivision, the court shall consider the nature of the violation and shall impose a greater penalty if it was willful or resulted from gross negligence than if it resulted from inadvertence or simple negligence.

(m) The agency is hereby empowered to initiate, negotiate and participate in contracts and agreements among the local governmental authorities of the region, or any other intergovernmental contracts or agreements authorized by state or federal law.

(n) Each intergovernmental contract or agreement shall provide for its own funding and staffing, but this shall not preclude financial contributions from the local authorities concerned or from supplementary sources.

(o) Every record of the agency, whether public or not, shall be open for examination to the Legislature and Controller of the State of California and the Legislative Auditor of the State of Nevada.

(p) Approval by the agency of any project expires 3 years after the date of final action by the agency or the effective date of the amendments to this compact, whichever is later, unless construction is begun within that time and diligently pursued thereafter, or the use or activity has commenced. In computing the 3-year period any period of time during which the project is the subject of a legal action which delays or renders impossible the diligent pursuit of that project shall not be counted. Any license, permit or certificate issued by the agency which has an expiration date shall be extended by that period of time during which the project is the subject of such legal action as provided in this subdivision.

(q) The governing body shall maintain a current list of real property known to be available for exchange with the United States or with other owners of real property in order to facilitate exchanges of real property by owners of real property in the region.

ARTICLE VII. ENVIRONMENTAL IMPACT STATEMENTS

(a) The Agency when acting upon matters that have a significant effect on the environment shall:

(1) Utilize a systematic, interdisciplinary approach which will insure the integrated use of the natural and social sciences and the environmental design arts in planning and in decisionmaking which may have an impact on man's environment;

(2) Prepare and consider a detailed environmental impact statement before deciding to approve or carry out any project. The detailed environmental impact statement shall include the following:

(A) The significant environmental impacts of the proposed project;

(B) Any significant adverse environmental effects which cannot be avoided should the project be implemented;

(C) Alternatives to the proposed project;

(D) Mitigation measures which must be implemented to assure meeting standards of the region;

(E) The relationship between local short-term uses of man's environment and the maintenance and enhancement of long-term productivity;

(F) Any significant irreversible and irretrievable commitments of

resources which would be involved in the proposed project should it be implemented; and

(G) The growth-inducing impact of the proposed project;

(3) Study, develop and describe appropriate alternatives to recommended courses of action for any project which involves unresolved conflicts concerning alternative uses of available resources;

(4) Make available to states, counties, municipalities, institutions and individuals, advice and information useful in restoring, maintaining and enhancing the quality of the region's environment; and

(5) Initiate and utilize ecological information in the planning and development of resource-oriented projects.

(b) Prior to completing an environmental impact statement, the agency shall consult with and obtain the comments of any federal, state or local agency which has jurisdiction by law or special expertise with respect to any environmental impact involved. Copies of such statement and the comments and views of the appropriate federal, state and local agencies which are authorized to develop and enforce environmental standards shall be made available to the public and shall accompany the project through the review processes. The public shall be consulted during the environmental impact statement process and views shall be solicited during a public comment period not to be less than 60 days.

(c) Any environmental impact statement required pursuant to this article need not repeat in its entirety any information or data which is relevant to such a statement and is a matter of public record or is generally available to the public, such as information contained in an environmental impact report prepared pursuant to the California Environmental Quality Act or a federal environmental impact statement prepared pursuant to the National Environmental Policy Act of 1969. However, such information or data shall be briefly described in the environmental impact statement and its relationship to the environmental impact statement shall be indicated.

In addition, any person may submit information relative to a proposed project which may be included, in whole or in part, in any environmental impact statement required by this article.

(d) In addition to the written findings specified by agency ordinance to implement the regional plan, the agency shall make either of the following written findings before approving a project for which an environmental impact statement was prepared:

(1) Changes or alterations have been required in or incorporated into such project which avoid or reduce the significant adverse environmental effects to a less than significant level; or

(2) Specific considerations, such as economic, social or technical, make infeasible the mitigation measures or project alternatives discussed in the environmental impact statement on the project.

A separate written finding shall be made for each significant effect identified in the environmental impact statement on the project. All written findings must be supported by substantial evidence in the record.

(e) The agency may charge and collect a reasonable fee from any person proposing a project subject to the provisions of this compact in order to recover the estimated costs incurred by the agency in preparing an environmental impact statement under this article.

(f) The agency shall adopt by ordinance a list of classes of projects which the agency has determined will not have a significant effect on the environment and therefore will be exempt from the requirement for the preparation of an environmental impact statement under this article. Prior to adopting the list, the agency shall make a written finding supported by substantial evidence in the record that each class of projects will not have a significant effect on the environment.

ARTICLE VIII. FINANCES

(a) On or before September 30 of each calendar year the agency shall establish the amount of money necessary to support its activities for the next succeeding fiscal year commencing July 1 of the following year. The agency shall apportion $75,000 of this amount among the counties within the region on the same ratio to the total sum required as the full cash valuation of taxable property within the region in each county bears to the total full cash valuation of taxable property within the region. In addition, each county within the region in California shall pay $18,750 to the agency and each county within the region in Nevada, including Carson City, shall pay $12,500 to the agency, from any funds available therefor. The State of California and the State of Nevada may pay to the agency by July 1, of each year any additional sums necessary to support the operations of the agency pursuant to this compact. If additional funds are required, the agency shall make a request for the funds to the States of California and Nevada. Requests for state funds must be apportioned two-thirds from California and one-third from Nevada. Money appropriated shall be paid within 30 days.

(b) The agency may fix and collect reasonable fees for any services rendered by it.

(c) The agency shall submit an itemized budget to the states for review with any request for state funds, shall be strictly accountable to any county in the region and the states for all funds paid by them to the agency and shall be strictly accountable to all participating bodies for all receipts and disbursement.

(d) The agency is authorized to receive gifts, donations, subventions, grants, and other financial aids and funds; but the agency may not own land except as provided in subdivision (i) of Article III.

(e) The agency shall not obligate itself beyond the moneys due under this article for its support from the several counties and the states for the current fiscal year, plus any moneys on hand or irrevocably pledged to its support from other sources. No obligation contracted by the agency shall bind either of the party states or any political subdivision thereof.

ARTICLE IX. TRANSPORTATION DISTRICT

(a) The Tahoe transportation district is hereby established as a special purpose district. The boundaries of the district are coterminous with those of the region.

(b) The business of the district shall be managed by a board of directors consisting of:

(1) One member of the county board of supervisors of each of the counties of El Dorado and Placer;

(2) One member of the city council of the City of South Lake Tahoe;

(3) One member each of the board of county commissioners of Douglas County and of Washoe County;

(4) One member of the board of supervisors of Carson City;

(5) The director of the California Department of Transportation; and

(6) The director of the department of transportation of the State of Nevada.

Any director may designate an alternate.

(c) The vote of at least five of the directors must agree to take action. If at least five votes in favor of an action are not cast, an action of rejections shall be deemed to have been taken.

(d) The Tahoe transportation district may by resolution establish procedures for the adoption of its budgets, the appropriation of its money and the carrying on of its other financial activities. These procedures must conform insofar as is practicable to the procedures for financial administration of the State of California or the State of Nevada or one or more of the local governments in the region.

(e) The Tahoe transportation district may in accordance with the adopted transportation plan:

(1) Own and operate a public transportation system to the exclusion of all other publicly owned transportation systems in the region.

(2) Acquire upon mutually agreeable terms any public transportation system or facility owned by a county, city or special purpose district or any privately owned transportation system or facility within the region.

(3) Hire the employees of existing public transportation systems that are acquired by the district without loss of benefits to the employees, bargain collectively with employee organizations, and extend pension and other collateral benefits to employees.

(4) Contract with private companies to provide supplementary transportation or provide any of the services needed in operating a system of transportation for the region.

(5) Fix the rates and charges for transit services provided pursuant to this subdivision.

(6) Issue revenue bonds and other evidence of indebtedness and make other financial arrangements appropriate for developing and operating a public transportation system.

(7) By resolution, determine and propose for adoption a tax for

the purpose of obtaining services of the district. The tax proposed must be general and of uniform operation throughout the region, and may not be graduated in any way, except for a sales and use tax which, if approved by the voters, may be administered through the States of California and Nevada respectively in accordance with the laws that apply within their respective jurisdictions. The district is prohibited from imposing any other tax measured by gross or net receipts on business, an ad valorem tax, a tax or charge that is assessed against people or vehicles as they enter or leave the region, and any tax, direct or indirect, on gaming tables and devices. Any such proposition must be submitted to the voters of the district and shall become effective upon approval of a majority of the voters voting on the proposition. The revenues from any such tax must be used for the services for which it was imposed, and for no other purpose.

(8) Provide service from inside the region to convenient airport, railroad and interstate bus terminals without regard to the boundaries of the region.

(f) The Legislatures of the States of California and Nevada may, by substantively identical enactments, amend this article.

ARTICLE X. MISCELLANEOUS

(a) It is intended that the provisions of this compact shall be reasonably and liberally construed to effectuate the purposes thereof. Except as provided in subdivision (c), the provisions of this compact shall be severable and if any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and effect as to the remaining state and in full force and effect as to the state affected as to all severable matters.

(b) The agency shall have such additional powers and duties as may hereafter be delegated or imposed upon it from time to time by the action of the Legislature of either state concurred in by the Legislature of the other.

(c) A state party to this compact may withdraw therefrom by enacting a statute repealing the compact. Notice of withdrawal shall be communicated officially and in writing to the Governor of the other state and to the agency administrators. This provision is not severable, and if it is held to be unconstitutional or invalid, no other provision of this compact shall be binding upon the State of Nevada or the State of California.

(d) No provision of this compact shall have any effect upon the allocation, distribution or storage of interstate waters or upon any

appropriative water right.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

This bill conforms amendments to the Tahoe Regional Planning Compact enacted at the 1983–84 Regular Session (Chap. 471, Stats. 1983) to make them identical to compact amendments enacted by the State of Nevada.

In order that the 1983 compact amendments, as adopted by both states, may be made identical and become effective without further delay, it is necessary that this act take effect immediately.

CHAPTER 133

An act to amend Sections 54985 and 54986 of the Government Code, relating to counties, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 25, 1984. Filed with Secretary of State May 25, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 54985 of the Government Code is amended to read:

54985. (a) Notwithstanding any other provision of law which prescribes an amount or otherwise limits the amount of a fee or charge which may be levied by a county, a county service area, or a county waterworks district governed by a county board of supervisors, a county board of supervisors shall have the authority to increase or decrease any such fee or charge, which is otherwise authorized to be levied by another provision of law, in the amount reasonably necessary to recover the cost of providing any product or service or the cost of enforcing any regulation for which the fee or charge is levied. The fee or charge may reflect the average cost of providing any product or service or enforcing any regulation. Indirect costs which may be reflected in the cost of providing any product or service or the cost of enforcing any regulation shall be limited to those items that are included in the federal Office of Management and Budget Circular A-87 on January 1, 1984.

(b) If any person disputes whether a fee or charge levied pursuant to subdivision (a) is reasonable, the board of supervisors may request the county auditor to conduct a study and to determine whether such fee or charge is reasonable.

Nothing in this subdivision shall be construed to mean that the county shall not continue to be subject to fee review procedures required by Article XIII B of the California Constitution.

(c) This chapter shall not apply to any of the following:

(1) Any fee charged or collected by a court clerk pursuant to Section 26820.4, 26823, 26824, 26826, 26827, 26827.4, 26830, 72054, 72055, 72056, 72059, 72060, or 72061 of the Government Code or Section 10554 of the Health and Safety Code.

(2) Any fees charged or collected pursuant to Chapter 2 (commencing with Section 6100) of Division 7 of Title 1.

(3) Any standby or availability assessment or charge.

(4) Any fee charged or collected by a county agricultural commissioner.

(5) Any fee charged or collected pursuant to Article 2.1 (commencing with Section 12240) of Chapter 2 of Division 5 of the Business and Professions Code.

(6) Any fee charged or collected by a county recorder or local registrar for filing, recording, or indexing any document, performing any service, issuing any certificate, or providing a copy of any document pursuant to Section 2103 of the Code of Civil Procedure, Section 27361, 27361.1, 27361.2, 27361.3, 27361.4, 27361.8, 27364, 27365, or 27366 of the Government Code, Section 10605 of the Health and Safety Code, or Section 9407 of the Uniform Commercial Code.

(7) Any fee charged or collected pursuant to Article 7 (commencing with Section 26720) of Chapter 2 of Part 3 of Division 2 of Title 3 of the Government Code.

SEC. 2. Section 54986 of the Government Code is amended to read:

54986. (a) Prior to either approving an increase in an existing fee or charge or initially imposing a new fee or charge pursuant to Section 54985, the board of supervisors shall hold at least one public meeting, at which oral or written presentations may be made, as part of a regularly scheduled meeting. Notice of the time and place of the meeting, including a general explanation of the matter to be considered, and a statement that the data required by this section is available, shall be mailed at least 14 days prior to the meeting to any interested party who files a written request with the clerk of the board of supervisors for mailed notice of the meeting on new or increased fees or charges. Any written request for such mailed notices shall be valid for one year from the date on which it is filed unless a renewal request is filed. Renewal requests for such mailed notices shall be filed on or before April 1st of each year. The board of supervisors may establish a reasonable annual charge for sending those notices based on the estimated cost of providing that service. At least 10 days prior to the meeting, the board of supervisors shall make available to the public data indicating the amount of cost, or estimated cost, required to provide the product or service or the cost of enforcing any regulation for which the fee or charge is levied and the revenue sources anticipated to provide the product or service or the cost of enforcing any regulation, including general fund revenues.

(b) Any action by a board of supervisors to levy a new fee or

charge or to approve an increase in an existing fee or charge pursuant to Section 54985 shall be taken only by ordinance.

(c) Any costs incurred by a county, a county service area, or county waterworks district governed by a county board of supervisors in conducting the meeting or meetings required pursuant to subdivision (a) may be recovered from fees charged for the product or service or the cost of enforcing any regulation which were the subject of the meeting.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The breadth of existing Sections 54985 and 54986 of the Government Code have created a significantly costly process for counties to increase all fees. The immediate implementation of this measure is necessary to prevent this negative revenue effect from increasing.

CHAPTER 134

An act to amend Section 42103 of the Education Code, relating to school districts.

[Approved by Governor May 25, 1984. Filed with Secretary of State May 25, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 42103 of the Education Code is amended to read:

42103. The governing board of each school district shall hold a public hearing on the proposed budget for the ensuing fiscal year in a district facility, or some other place conveniently accessible to the residents of the district, any day during or before the first week in September but at least three days following availability of the proposed budget for public inspection, at which any resident in the district may appear and object to the proposed budget or any item in the budget.

The hearing may be concluded on the proposed budget when there are no requests for further hearing on file. The budget shall not be finally adopted by the governing board of the district until after the public hearing has been held.

The proposed budget, showing program expenditures, cash balances, and all the appropriations from the state as required to be tabulated in Sections 42122 and 42123 for the ensuing and last preceding fiscal year, any district tax requirement computed pursuant to subdivision (c) of Section 42127 for the school year to which the proposed budget is intended to apply, and any

recommendations made by the county superintendent pursuant to subdivision (b) of Section 42127 shall be made available by the district for public inspection in a facility of the district or in some other place conveniently accessible to residents of the district, during or before the last week in August.

Notification of dates and location or locations at which the proposed budget may be inspected by the public and the date, time, and location of the public hearing on the proposed budget shall be published by the county superintendent of schools in a newspaper of general circulation in the district, or if there is no such newspaper, then in any newspaper of general circulation in the county, at least three days prior to the availability of the proposed budget for public inspection. The cost of the publication shall be a legal and proper charge against the school district for which the publication is made.

CHAPTER 135

An act to amend Sections 39830 and 82321 of the Education Code, to amend Section 545 of the Vehicle Code, and to amend Sections 4648, 4710.5, 4710.8, 4710.9, 19350, 19353, 19354.5, 19355, and 19356 of, to amend and repeal Section 19352 of, to add and repeal Sections 19352.5, 19352.8, 19353.5, 19354.1, 19354.8, 19358, and 19360 of, and to repeal and add Section 19351 to, the Welfare and Institutions Code, relating to developmental disabilities, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 30, 1984 Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 39830 of the Education Code is amended to read:

39830. A schoolbus is any motor vehicle designed, used, or maintained for the transportation of any school pupil at or below the 12th-grade level to or from a public or private school or to or from public or private school activities, except the following:

(a) A motor vehicle of any type carrying only members of the household of the owner thereof.

(b) A motortruck transporting pupils who are seated only in the passenger compartment, and a passenger vehicle designed for and when actually carrying not more than 10 persons, including the driver, except any such vehicle or truck transporting two or more handicapped pupils confined to wheelchairs.

(c) A motor vehicle operated by a common carrier, or by and under exclusive jurisdiction of a publicly owned or operated transit system, only during the time it is on a scheduled run and is available

to the general public or on a run scheduled in response to a request from a handicapped pupil confined to a wheelchair, or from a parent of the handicapped pupil, for transportation to or from nonschool activities; provided, that the motor vehicle is designed for and actually carries not more than 16 persons and the driver, is available to eligible persons of the general public, and the school does not provide the requested transportation service.

(d) A school pupil activity bus as defined in Section 39830.1.

(e) A motor vehicle operated by a carrier licensed by the Interstate Commerce Commission which is transporting pupils on a school activity entering or returning to the state from another state or country.

(f) Notwithstanding any other provisions of this section, the governing board of a district maintaining a community college may, by resolution, designate any motor vehicle operated by or for the district, a schoolbus within the meaning of this section, if it is primarily used for the transportation of community college students to or from a public community college or to or from public community college activities. The designation shall not be effective until written notification thereof has been filed with the Department of the California Highway Patrol.

(g) A state-owned motor vehicle being operated by a state employee upon the driveways, paths, parking facilities, or grounds specified in Section 21113 of the Vehicle Code that are under the control of a state hospital under the jurisdiction of the State Department of Developmental Services where the posted speed limit is not more than 20 miles per hour. The motor vehicle may also be operated for a distance of not more than one-quarter mile upon a public street or highway that runs through the grounds of a state hospital under the jurisdiction of the State Department of Developmental Services, if the posted speed limit on the public street or highway is not more than 25 miles per hour and if all traffic is regulated by posted stop signs or official traffic control signals at the points of entry and exit by the motor vehicle.

SEC. 2. Section 82321 of the Education Code is amended to read:

82321. A schoolbus is any motor vehicle designed, used, or maintained for the transportation of any school pupil at or below the 12th-grade level to or from a public or private school or to or from public or private school activities, except the following:

(a) A motor vehicle of any type carrying only members of the household of the owner thereof.

(b) A motortruck transporting pupils who are seated only in the passenger compartment, and a passenger vehicle designed for and when actually carrying not more than 10 persons, including the driver, except any such vehicle or truck transporting two or more handicapped pupils confined to wheelchairs.

(c) A motor vehicle operated by a common carrier, or by and under exclusive jurisdiction of a publicly owned or operated transit system, only during the time it is on a scheduled run and is available

to the general public or on a run scheduled in response to a request from a handicapped pupil confined to a wheelchair, or from a parent of the handicapped pupil, for transportation to or from nonschool activities; provided, that the motor vehicle is designed for and actually carries not more than 16 persons and the driver, is available to eligible persons of the general public, and the school does not provide the requested transportation service.

(d) A school pupil activity bus as defined in Section 82321.1.

(e) A motor vehicle operated by a carrier licensed by the Interstate Commerce Commission which is transporting pupils on a school activity entering or returning to the state from another state or country.

(f) Notwithstanding any other provisions of this section, the governing board of a district maintaining a community college may, by resolution, designate any motor vehicle operated by or for the district, a schoolbus within the meaning of this section, if it is primarily used for the transportation of community college students to or from a public community college or to or from public community college activities. The designation shall not be effective until written notification thereof has been filed with the Department of the California Highway Patrol.

(g) A state-owned motor vehicle being operated by a state employee upon the driveways, paths, parking facilities, or grounds specified in Section 21113 of the Vehicle Code that are under the control of a state hospital under the jurisdiction of the State Department of Developmental Services where the posted speed limit is not more than 20 miles per hour. The motor vehicle may also be operated for a distance of not more than one-quarter mile upon a public street or highway that runs through the grounds of a state hospital under the jurisdiction of the State Department of Developmental Services, if the posted speed limit on the public street or highway is not more than 25 miles per hour and if all traffic is regulated by posted stop signs or official traffic control signals at the points of entry and exit by the motor vehicle.

SEC. 3. Section 545 of the Vehicle Code is amended to read:

545. A "schoolbus" is any motor vehicle designed, used, or maintained for the transportation of any school pupil at or below the 12th-grade level to or from a public or private school or to or from public or private school activities, except the following:

(a) A motor vehicle of any type carrying only members of the household of the owner thereof.

(b) A motortruck transporting pupils who are seated only in the passenger compartment, and a passenger vehicle designed for and when actually carrying not more than 10 persons, including the driver, except any such vehicle or truck transporting two or more handicapped pupils confined to wheelchairs.

(c) A motor vehicle operated by a common carrier, or by and under the exclusive jurisdiction of a publicly owned or operated transit system, only during the time it is on a scheduled run and is

available to the general public or on a run scheduled in response to a request from a handicapped pupil confined to a wheelchair, or from a parent of the handicapped pupil, for transportation to or from nonschool activities; provided, that the motor vehicle is designed for and actually carries not more than 16 persons and the driver, is available to eligible persons of the general public, and the school does not provide the requested transportation service.

(d) A school pupil activity bus as defined in Section 546.

(e) A motor vehicle operated by a carrier licensed by the Interstate Commerce Commission which is transporting pupils on a school activity entering or returning to the state from another state or country.

(f) A youth bus as defined in Section 680.

(g) Notwithstanding any other provisions of this section, the governing board of a district maintaining a community college may, by resolution, designate any motor vehicle operated by or for the district, a schoolbus within the meaning of this section, if it is primarily used for the transportation of community college students to or from a public community college or to or from public community college activities. The designation shall not be effective until written notification thereof has been filed with the Department of the California Highway Patrol.

(h) A state-owned motor vehicle being operated by a state employee upon the driveways, paths, parking facilities, or grounds specified in Section 21113 that are under the control of a state hospital under the jurisdiction of the State Department of Developmental Services where the posted speed limit is not more than 20 miles per hour. The motor vehicle may also be operated for a distance of not more than one-quarter mile upon a public street or highway that runs through the grounds of a state hospital under the jurisdiction of the State Department of Developmental Services, if the posted speed limit on the public street or highway is not more than 25 miles per hour and if all traffic is regulated by posted stop signs or official traffic control signals at the points of entry and exit by the motor vehicle.

SEC. 4. Section 4519 is added to the Welfare and Institutions Code, to read:

4519. (a) The department shall not expend funds, and a regional center shall not expend funds allocated to it by the department, for the purchase of any service outside the state unless the Director of Developmental Services or the director's designee has received, reviewed, and approved a plan for out-of-state service in the client's individual program plan developed pursuant to Sections 4646 to 4648, inclusive. The department shall authorize the purchase of out-of-state services when the director determines the proposed service or an appropriate alternative, as determined by the director, is not available from resources and facilities within the state. For the purposes of this section, the department shall be considered a service agency under Chapter 7 (commencing with Section 4700).

(b) No funds shall be expended for the cost of interstate travel or transportation by regional center staff in connection with the purchase of any service outside the state unless authorized by the director or the director's designee.

(c) When a regional center places a client out-of-state pursuant to subdivision (a), it shall prepare a report for inclusion in the client's individual program plan. This report shall summarize the regional center's efforts to locate, develop, or adapt an appropriate program for the client within the state. This report shall be reviewed and updated every six months and a copy sent to the director.

(d) Notwithstanding subdivisions (a), (b), and (c), the State Department of Developmental Services or a regional center may expend funds allocated to it for the purchase of services for residents of this state and administrative costs incurred in providing services in the border areas of a state adjacent to California when the purchase is approved by the regional center director.

SEC. 5. Section 4648 of the Welfare and Institutions Code is amended to read:

4648. In order to achieve the stated objectives of any individual program plan, the regional center shall conduct activities including, but not limited to, the following:

(a) Program coordination which may include securing, through purchase or referral, services specified in the person's plan, coordination of service programs, information collection and dissemination, and measurement of progress toward objectives contained in the person's plan.

The regional center shall assign a program coordinator who will be responsible for implementing, overseeing, and monitoring each individual program plan. The program coordinator may be an employee of the regional center or may be a qualified individual or employee of an agency with whom the regional center has contracted to provide program coordination.

At such times as the individual program plan is reviewed, but at least annually, the performance of the program coordinator shall also be reviewed by the regional center, the person with developmental disabilities, and the person's parents or legal guardian or conservator. No person shall continue to serve as a program coordinator for any individual program plan unless there is agreement by all parties that the person should continue to serve as program coordinator.

Nothing shall prevent a person with developmental disabilities or such person's parent, legal guardian, or conservator, from being the program coordinator of the person's individual program plan, if the regional center director agrees that such an arrangement is feasible and in the best interest of the person with the developmental disabilities. If any person listed above is designated as the program coordinator, such person shall not deviate from the agreed-upon program plan and shall provide any information and reports as may be required by the regional center director.

(b) Purchase of needed services.

A regional center may purchase services for a client from any individual or agency the regional center determines will best accomplish all or any part of that client's program plan.

In making the initial choice to purchase services from an agency, facility, or individual, the regional center may use a professionally recognized, reliable, and valid instrument of accreditation. The regional center also shall consider both of the following when initiating or renewing a contract or authorization for the purchase of client services:

(a) A vendor's success in achieving the objectives set forth in the individual program plan.

(b) The unit cost of providing services of comparable quality by different vendors, if available.

No purchase of service contract with any agency or individual shall be continued unless the regional center and the person with developmental disabilities, or when appropriate, the person's parents or legal guardian or conservator agree that reasonable progress has been made towards the objectives for which the service provider is responsible.

Regional center funds shall not be used to supplant the budget of any agency which has a legal responsibility to serve all members of the general public and is receiving public funds for providing such services.

A regional center may, directly or through an agency acting on behalf of the center, provide placement and follow-along services to developmentally disabled persons in licensed community care or health care facilities. The regional center may also purchase required out-of-home care for such developmentally disabled persons. In considering appropriate placement alternatives for developmentally disabled children, approval by the child's parent, guardian, or conservator shall be obtained before placement is made.

Each developmentally disabled person placed by the regional center in an out-of-home residential facility shall have the rights specified in this division. These rights shall be brought to the person's attention by such means as the Director of Developmental Services may designate by regulation.

(c) Advocacy for, and protection of, the civil, legal, and service rights of developmentally disabled persons as established in this division.

Whenever the advocacy efforts of a regional center to secure or protect the legal, civil, or service rights of any of its clients prove ineffective, the regional center or the person with developmental disabilities or their parents, legal guardian, or other representative may request the area board to initiate action under the provisions defining area board advocacy functions established in this division.

(d) Community organization and program development including liaison activities with existing service agencies, identification of services needed but unavailable, identification of ineffective services and services of poor quality, identification of

programs which may not be in compliance with local, state, and federal statutes and approved regulations.

In order to expand the availability of needed services of good quality, a regional center may take any of the following actions:

(1) Provide information to the area board to assist the area board in determining recommended priorities for program development for inclusion in the state plan.

(2) Request the department to allocate funds from the Developmental Disabilities Program Development Fund to initiate a new program.

(3) Notify the appropriate licensing authority or request the area board to investigate and act upon any agency's possible noncompliance with local, state, or federal laws or regulations.

(4) Provide or secure consultation, training, or technical assistance services for any agency to assist such agency in upgrading the quality of its program. Except in emergency situations, a regional center shall not provide direct treatment and therapeutic services, but shall utilize appropriate public and private community agencies and service providers to obtain such services for its clients.

SEC. 6. Section 4710.5 of the Welfare and Institutions Code, as amended by Chapter 16 of the 1983–84 1st Extraordinary Session, is amended to read:

4710.5. (a) Any applicant for or recipient of services, or authorized representative of the applicant or recipient, who is dissatisfied with any decision or action of the service agency which he or she believes to be illegal, discriminatory, or not in the recipient's or applicant's best interests, shall, upon filing a request within 30 days after notification of the decision or action complained of, be afforded an opportunity for a fair hearing.

(b) The request for a fair hearing shall be stated in writing on a hearing request form provided by the service agency, or in other written form.

(c) If any person makes a verbal request for a fair hearing, the employee of the service agency who hears the request shall provide the person with a hearing request form and shall assist the person in filling out the form if the person requires or requests assistance. Any employee who willfully fails to comply with this requirement shall be guilty of a misdemeanor.

(d) The hearing request shall be directed to the director of the service agency responsible for the action complained of under subdivision (a). The service agency director shall send a copy of the hearing request form to the department within five days of the service agency director's receipt of the request. The department shall keep a file of all hearing request forms.

SEC. 7. Section 4710.8 of the Welfare and Institutions Code, as added by Chapter 16 of the 1983–84 1st Extraordinary Session, is amended to read:

4710.8. (a) At the informal meeting, the claimant shall have the rights stated pursuant to subdivision (a) of Section 4710.6.

(b) If, in the opinion of any person, the rights or best interests of a claimant who has not personally authorized a representative will not be properly protected or advocated in any appeals procedure, the local area board and the service agency clients' rights advocate shall be notified, and the area board may appoint a representative to assist the claimant in the appeals procedure. The appointment shall be made in writing to the authorized representative and a copy of the appointment shall be immediately mailed to the service agency director.

(c) The informal meeting shall be held at a time and place reasonably convenient to the claimant and the authorized representative.

(d) The informal meeting shall be conducted in the English language. However, if the claimant, the claimant's guardian or conservator, the parent of a minor claimant, or the authorized representative does not understand English, an interpreter shall be provided who is competent and acceptable to both the person requiring the interpreter and the service agency director or the director's designee. Any cost of an interpreter shall be borne by the service agency.

(e) The notification of the decision shall state that the decision shall go into effect 10 days after receipt of the decision by the claimant or authorized representative and that it shall be the final administrative decision unless the claimant appeals to the responsible state agency. The notification shall state that if the claimant or the authorized representative disagrees with the decision of the service agency director or designee, he or she may appeal the decision by submitting a written request for a fair hearing to the service agency within 10 days of the receipt of the decision of the service agency director.

(f) Nothing in this section shall preclude a process of mediation mutually agreed to by both parties. That mediation shall not affect the time limitations set forth in this chapter.

SEC. 8. Section 4710.9 of the Welfare and Institutions Code, as added by Chapter 16 of the 1983–84 1st Extraordinary Session, is amended to read:

4710.9. (a) If the claimant or the authorized representative disagrees with the decision of the service agency director or the director's designee, he or she may appeal that decision by submitting a written request for a fair hearing to the service agency within 10 days of receipt of the service agency director's decision.

(b) Upon receipt of a request for a fair hearing, the service agency shall immediately forward the request with copies of the service agency director's decision and the appointment of an authorized representative by a claimant or an area board, if any, to the director of the responsible state agency.

(c) The request for a fair hearing shall include the name, address, and birth date of the claimant, the name, address, and relationship to the claimant of the authorized representative, date of request, the

grounds of the appeal, and any recommendation for consolidation pursuant to Section 4712.2.

SEC. 9. Section 19350 of the Welfare and Institutions Code is amended to read:

19350. The Legislature reaffirms its intent that habilitation services for adults with developmental disabilities should be planned and provided as a part of a continuum and that habilitation services should be available to enable persons with developmental disabilities to approximate the pattern of everyday living available to nondisabled people of the same age. The Legislature further intends that habilitation services shall be provided to adults with developmental disabilities as specified in this chapter in order to guarantee the rights stated in Section 4502.

SEC. 10. It is the intent of the Legislature to fund habilitation services for all eligible persons referred for services.

SEC. 11. Section 19351 of the Welfare and Institutions Code is repealed.

SEC. 12. Section 19351 is added to the Welfare and Institutions Code, to read:

19351. The department shall meet on a bimonthly basis with, among other organizations, all of the following:

(a) The Association of Regional Center Agencies.

(b) The Association for Retarded Citizens of California.

(c) The California Association of Rehabilitation Facilities.

(d) The State Council on Developmental Disabilities.

(e) The Organization of Area Boards.

These organizations shall review and make recommendations to the department on issues concerning the provision of habilitation services. Among the issues to be reviewed and for which recommendations shall be obtained, shall be the ratesetting mechanism for the habilitation services program, and the need, if any, for change in the ratesetting system, and the development of a consistent set of assessment criteria for the Habilitation Services Program.

This section shall become inoperative on July 1, 1988, and, as of January 1, 1989, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1989, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 13. Section 19352 of the Welfare and Institutions Code is amended to read:

19352. As used in this chapter:

(a) "Habilitation services" means those community-based services purchased or provided for adults with developmental disabilities to prepare them for competitive employment, to prepare and maintain them at their highest level of vocational functioning, or to prepare them for referral to vocational rehabilitation services.

(b) "Individual program plan" means the overall plan developed by a regional center pursuant to Section 4646.

(c) "Habilitation component" means the plan developed for each

eligible person for whom services are purchased under this chapter.

(d) "Department" means the Department of Rehabilitation.

(e) "Work activity program" includes, but is not limited to, sheltered workshops, or workshops or work activity centers accredited under departmental regulations.

(f) "Habilitation team" means a group, which shall be established for each work-activity program client, composed of the following members:

(1) The regional center case manager.

(2) The work-activity program case-responsible person.

(3) A habilitation specialist designated by the department.

(4) The work-activity program client, and where appropriate, his or her parent, legal guardian, or conservator.

This section shall become inoperative on July 1, 1988, and, as of January 1, 1989, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1989, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 14. Section 19352.5 is added to the Welfare and Institutions Code, to read:

19352.5. The habilitation team shall have the following responsibilities:

(a) Determining initial eligibility.

(b) Developing an individual habilitation component.

(c) Reviewing continued eligibility.

In the event that the habilitation specialist disagrees with the team, the specialist shall make the final decision subject to appeal to the department by the individual or his or her designated representative.

The habilitation specialist shall substantiate the decision by doing all of the following:

(a) Stating in writing the reasons for disagreement and the decision.

(b) Stating the connection between these reasons and specific eligibility criteria.

(c) Stating that the decision is not made for fiscal reasons.

This section shall become inoperative on July 1, 1988, and, as of January 1, 1989, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1989, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 15. Section 19352.8 is added to the Welfare and Institutions Code, to read:

19352.8. Only decisions made by the habilitation team or habilitation specialist with respect to eligibility for services or development of the individual habilitation component are subject to appeal. If a work-activity program client appeals a decision made pursuant to Section 19353.5 to the department, the individual shall, pending the outcome of the appeal, continue to receive the same level of services provided prior to appeal if the client entered the work-activity program from a day program paid for by a regional

center or provided by a state hospital and is unable to return to the program.

If a work-activity program client appeals a decision made pursuant to Section 19354.1 to the department, the client shall, pending the outcome of the appeal, continue to receive the same level of service provided prior to appeal.

This section shall become inoperative on July 1, 1988, and, as of January 1, 1989, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1989, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 16. Section 19353 of the Welfare and Institutions Code is amended to read:

19353. A person shall be eligible for habilitation services under this chapter when all of the following exist:

(a) The person is an adult who has been diagnosed as having a developmental disability.

(b) The disability is so severe that the person does not presently have potential for competitive employment.

(c) The degree of the person's disability has been determined by the department to be too severe to allow the person to benefit from vocational rehabilitation services.

(d) The person is determined to be in need of habilitation services in an individual program plan developed by a regional center pursuant to Section 4646.

(e) The department verifies, as necessary, that the person meets the eligibility criteria for habilitation services specified in subdivisions (a) to (d), inclusive.

SEC. 17. Section 19353.5 is added to the Welfare and Institutions Code, to read:

19353.5. When the department has made its determination of eligibility pursuant to subdivision (e) of Section 19353, the individual shall be placed in a work-activity program, and shall be deemed presumptively eligible for the period not to exceed 90 days. During this 90-day period, the work-activity program in which the person is placed shall evaluate the performance of the individual in all of the following areas:

(a) Appropriate behavior to safely conduct himself or herself in a work setting.

(b) Adequate attention span to reach a productivity level in paid work.

(c) Ability to understand simple instructions within a reasonable length of time.

(d) Ability to communicate basic needs and understand basic receptive language.

(e) Attendance level.

During this 90-day period, the habilitation team shall, utilizing the findings of the work-activity program made pursuant to this section, determine the initial eligibility of the individual.

This section shall become inoperative on July 1, 1988, and, as of

January 1, 1989, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1989, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 18. Section 19354.1 is added to the Welfare and Institutions Code, to read:

19354.1. In developing the habilitation component, the habilitation team shall develop specific and measurable objectives in order to determine whether the individual demonstrates ability to reach or maintain individual habilitation component goals in at least all of the following areas:

(a) Participation in paid work for a specified period of time.

(b) Obtaining or sustaining a productivity rate.

(c) Obtaining or sustaining a specified attendance level.

(d) Demonstration of appropriate behavior for a work setting.

This section shall become inoperative on July 1, 1988, and, as of January 1, 1989, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1989, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 19. Section 19354.5 of the Welfare and Institutions Code is amended to read:

19354.5. It is the intent of the Legislature that the department provide monitoring, evaluation, and audit of habilitation services for program effectiveness taking into consideration criteria, including, but not limited to, all of the following:

(a) Service quality assurance.

(b) Cost effectiveness.

(c) Cost containment.

(d) Protections for persons receiving services.

(e) An equitable rate system.

It is further the intent of the Legislature that all persons receiving services at the end of any fiscal year shall be continued in service as identified in the habilitation component of the individual program plan in the subsequent fiscal year.

SEC. 20. Section 19354.8 is added to the Welfare and Institutions Code, to read:

19354.8. Each work-activity program facility shall annually review the top 3 percent of its clients, based upon productivity ratings, in order to determine whether these individuals meet all of the following criteria:

(a) Potential stamina to handle a workday.

(b) Ability to travel to and from the workplace independently.

(c) Ability to handle his or her own paycheck.

(d) Appropriate productivity rating.

(e) Marketable work skills.

(f) Appropriate attendance history.

(g) Ability to accommodate to change.

Any individual who meets all of the criteria set forth above shall be referred to the individual's habilitation team. The team shall determine whether to recommend to the department that the

individual be considered for vocational rehabilitation services.

This section shall become inoperative on July 1, 1988, and, as of January 1, 1989, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1989, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 21. Section 19355 of the Welfare and Institutions Code is amended to read:

19355. The department shall purchase those habilitation services which it determines to be necessary in the habilitation component of the individual program plan for eligible adults with developmental disabilities from accredited community nonprofit work-activity programs. Habilitation services shall continue as long as reasonable progress is being made toward achieving objectives of the individual program plan or as long as these services are determined by the habilitation team to be necessary to maintain the current level of functioning of the person.

SEC. 22. Section 19356 of the Welfare and Institutions Code is amended to read:

19356. (a) The department shall promulgate regulations to establish rates, after consulting with the State Department of Developmental Services and subject to the approval of the Department of Finance. The regulations shall provide for an equitable ratesetting procedure in which each specific allowable service, activity, and provider administrative cost comprising an overall habilitation service, as determined by the department, reflects the reasonable cost or service. Reasonable costs shall be determined annually by the department and subject to audit at the discretion of the department.

(b) Notwithstanding subdivision (a), commencing with the 1984–85 fiscal year, the department shall develop an approved rate for each work-activity program provider, which shall be the sum of the rate which would be established pursuant to subdivison (a), plus a percentage increase equal to the ratio of one million eight hundred thousand dollars ($1,800,000) to the amount appropriated for the provision of habilitation services pursuant to the 1984–85 Budget Act, except that the approved rate for each facility shall be not less than 85 percent of the rate paid in the 1983–84 fiscal year. The rate derived pursuant to this subdivision shall remain the rate of the work-activity program until July 1, 1988, subject to rate adjustments provided for by law.

This subdivision shall remain operative only until July 1, 1988.

SEC. 23. Section 19358 is added to the Welfare and Institutions Code, to read:

19358. Commencing January 1, 1985, the department shall report to the Legislature and the Governor on January 1 and May 1 of each year. The report shall indicate whether the estimated caseload exceeds the estimates of the caseload upon which the Budget Act appropriation for that fiscal year has been derived, and the additional funds necessary for providing services to all eligible persons for the

remainder of the fiscal year.

This section shall become inoperative on July 1, 1988, and, as of January 1, 1989, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1989, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 24. Section 19360 is added to the Welfare and Institutions Code, to read:

19360. On January 1, 1985, and on January 1 of each year thereafter, the department shall report to the Governor and the Legislature any annual changes which have occurred in the following special costs:

(a) Occupancy.

(b) Loss of subsidized staff.

(c) Legally mandated expenses.

The report shall indicate the amount of funds needed to meet the special costs.

This section shall become inoperative on July 1, 1988, and, as of January 1, 1989, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1989, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 25. The sum of one million eight hundred thousand dollars ($1,800,000) is hereby appropriated from the General Fund to the Department of Rehabilitation for expenditure during the 1984–85 fiscal year for the provision of habilitation services, provided for pursuant to Chapter 4.5 (commencing with Section 19350) of Part 2 of Division 10 of the Welfare and Institutions Code.

SEC. 26. Sections 9 to 22, inclusive, of this act shall become effective only if SB 1092 is enacted during the 1983–84 regular session. Sections 10 to 22, inclusive, of this act shall not become operative until July 1, 1984.

SEC. 27. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide necessary funding during the 1984–85 fiscal year, and in order to ensure that persons with developmental disabilities are placed in the least restrictive environment, it is necessary that this act take effect immediately.

CHAPTER 136

An act to amend Section 31789.12 of the Government Code, relating to public employee retirement.

[Approved by Governor May 31, 1984 Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 31789.12 of the Government Code is amended to read:

31789.12. Notwithstanding Section 31789.1, the board may increase the sum payable pursuant to Section 31789.1 to one thousand dollars ($1,000)

Upon adoption by any county providing benefits pursuant to this section, of Article 5.5 (commencing with Section 31510) of this chapter, the board of retirement shall, instead, pay those benefits from the Supplemental Retiree Benefits Reserve established pursuant to Section 31510.8.

This section shall remain in effect only until January 1, 1990, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1990, deletes or extends such date.

CHAPTER 137

An act to add Section 4608 to the Labor Code, relating to workers' compensation.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 4608 is added to the Labor Code, to read:

4608. No workers' compensation insurer, self-insured employer, or agent of an insurer or self-insured employer, shall refuse to pay pharmacy benefits solely because the claim form utilized is reproduced by the person providing the pharmacy benefits, provided the reproduced form is an exact copy of that used by the insurer, self-insured employer, or agent.

CHAPTER 138

An act to add Section 22851.1 to the Vehicle Code, relating to vehicles.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 22851.1 is added to the Vehicle Code, to read:

22851.1. (a) If the vehicle is impounded pursuant to subdivision

(i) of Section 22651 and not released as provided in that subdivision, the vehicle may be sold pursuant to this chapter to satisfy the liens specified in Section 22851 and in subdivision (b) of this section.

(b) A local authority impounding a vehicle pursuant to subdivision (i) of Section 22651 shall have a lien dependent upon possession by the keeper of the garage for satisfaction of bail for all outstanding notices of parking violation issued by the local authority for the vehicle pursuant to subdivision (a) of Section 41103, when the conditions specified in subdivision (c) have been met. This lien shall be subordinate in priority to the lien established by Section 22851, and the proceeds of any sale shall be applied accordingly. Consistent with this order of priority, the term "lien," as used in this article and in Chapter 6.5 (commencing with Section 3067) of Title 14 of Part 4 of Division 3 of the Civil Code, includes a lien imposed by this subdivision. In any action brought to perfect the lien, where required by subdivision (d) of Section 22851.8 of this code, or by subdivision (d) of Section 3071 or subdivision (d) of Section 3072 of the Civil Code, it shall be a defense to the recovery of bail that the owner of the vehicle at the time of impoundment was not the owner of the vehicle at the time of the parking offense.

(c) A lien shall exist for bail with respect to parking violations for which no person has answered the charge in the notice of parking violation given, or filed an affidavit of nonownership pursuant to and within the time specified in subdivision (b) of Section 41103.

CHAPTER 139

An act to add Section 18525 to the Financial Code, relating to industrial loan companies, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 18525 is added to the Financial Code, to read:

18525. Notwithstanding any other provision of this division, Guaranty Corporation, with the written consent of the commissioner, shall have the power to assume obligations; enter into contracts, including contracts of guarantee or suretyship; incur liabilities; lend money or otherwise use its credit; and secure any of its obligations, contracts, or liabilities by mortgage, pledge, or other encumbrances of all or any part of its property and income.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into

immediate effect. The facts constituting the necessity are:

In order to permit as soon as possible the sale rather than forced liquidation of a failing industrial loan company and by so doing avoid great inconvenience and monetary loss to consumers, it is necessary that this act go into immediate effect.

CHAPTER 140

An act to amend Section 172g of the Penal Code, relating to alcoholic beverages and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 172g of the Penal Code is amended to read:

172g. 1. Every person who, within one mile by air line from the intersection of Sierra Vista, Pierce, and Campus Drive streets at the entrance to La Sierra College in the City of Riverside, or within one mile of the grounds or campus of Loma Linda University in the County of San Bernardino, or within one mile of the grounds of the University of Santa Clara in the City of Santa Clara, sells, or exposes for sale, any intoxicating liquor, is guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than one hundred dollars ($100), or by imprisonment in the county jail of not less than 50 days nor more than one year, or by both such fine and imprisonment in the discretion of the court.

2. The provisions of this section shall not apply to the sale or exposing or offering for sale of ale, porter, wine, similar fermented malt or vinous liquor or fruit juice containing one-half of 1 percent or more of alcohol by volume and not more than 3.2 percent of alcohol by weight nor the sale or exposing or offering for sale of beer.

3. Distances provided in this section shall be measured not by air line but by following the shortest road or roads connecting the points in question except those applying to La Sierra College.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to correct certain inequities relating to the sale of alcoholic beverages near the La Verne College campus, it is necessary that this act take effect immediately.

CHAPTER 141

An act to amend Section 4420 of the Government Code, relating to public works, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 4420 of the Government Code is amended to read:

4420. No officer or employee of this state, or of any public agency or of any public authority, and no person acting or purporting to act on behalf of such officer, employee, or public agency or authority, except a public agency or authority created pursuant to agreement or compact with another state, shall, with respect to any public building or construction contract which is about to be or which has been competitively bid, require the bidder to make application to, or furnish financial data to, or to obtain or procure any surety bond or contract of insurance specified in connection with such contract, or specified by any law, ordinance, or regulation, from, a particular surety or insurance company, agent or broker. No such officer or employee, or person, firm, or corporation acting or purporting to act on behalf of such officer or employee, shall negotiate, make application for, obtain, or procure any such surety bond or contract of insurance (except contracts of insurance for builder's risk or owner's protective liability) which can be obtained or procured by the bidder, contractor, or subcontractor.

This chapter shall not apply to any project under design or construction on August 4, 1967, by or on behalf of a public agency or authority if such agency or authority was then engaged in insurance activity with respect to such project that otherwise would be prohibited by this chapter.

This chapter shall not apply to the construction of any exclusive public mass transit guideway project in any county with a population exceeding 6,000,000, or in the County of Santa Clara.

As used in this section, "public agency" means any city, county, city and county, district, municipal or public corporation or any agency or instrumentality thereof.

SEC. 2. The Legislature finds that due to the unique circumstances concerning the construction of a light rail system in the County of Santa Clara a general statute cannot be made applicable.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to promptly proceed with the necessary requirements for the bidding and contracting of a light rail system without undue delay, it is essential that this act take effect immediately.

CHAPTER 142

An act to amend Sections 226, 3505, 5384, and 5401 of, and to add Sections 454.2, 491.1, 1032.5, and 1040 to, the Public Utilities Code, relating to carriers.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 226 of the Public Utilities Code is amended to read:

226. (a) "Passenger stage corporation" includes every corporation or person engaged as a common carrier, for compensation, in the ownership, control, operation, or management of any passenger stage over any public highway in this state between fixed termini or over a regular route except those, 98 percent or more of whose operations as measured by total route mileage operated, which are exclusively within the limits of a single city or city and county, or whose operations consist solely in the transportation of bona fide pupils attending an institution of learning between their homes and that institution.

For purposes of this section, the percentage of the route mileage within the limits of any city shall be determined by the Public Utilities Commission on the first day of January of each year, and the percentage so determined shall be presumed to continue for the year.

(b) "Passenger stage corporation" does not include that part of the operations of any corporation or person engaged in the ownership, control, operation, or management of any passenger stage over any public highway in this state, whether between fixed termini or over a regular route or otherwise, engaged in the transportation of any pupils or students to and from a public or private school, college, or university, or to and from activities of a public or private school, college, or university, where the rate, charge, or fare for that transportation is not computed, collected, or demanded on an individual fare basis.

(c) "Passenger stage corporation" does not include the transportation of persons between home and work locations or of persons having a common work-related trip purpose in a vehicle having a seating capacity of 15 passengers or less, including the driver, which is used for the purpose of ridesharing, as defined in Section 522 of the Vehicle Code, when the ridesharing is incidental

to another purpose of the driver. This exemption does not apply if the primary purpose for the transportation of those persons is to make a profit. "Profit," as used in this subdivision, does not include the recovery of the actual costs incurred in owning and operating a vanpool vehicle, as defined in Section 668 of the Vehicle Code.

(d) "Passenger stage corporation" does not include that part of the operations of any corporation or person engaged in the ownership, control, operation, or management of any medical transportation vehicles.

(e) "Passenger stage corporation" does not include the transportation of persons which is ancillary to commercial river rafting and is for the sole purpose of returning passengers to the point of origin of their rafting trip.

(f) "Passenger stage corporation" does not include social service transportation delivered by a nonprofit social service transportation provider or a locally licensed or franchised for-profit transportation provider which operates, in dedicated vehicles, social service transportation pursuant to contract with a nonprofit social service transportation provider organization as long as the provider does not use a vehicle designed for carrying more than 16 persons, including the driver, or does not operate vehicles which offer transportation services over regularly scheduled or fixed routes.

(g) "Passenger stage corporation" does not include intrastate passenger transportation service conducted pursuant to federal operating authority to the extent that regulation of these intrastate operations by the commission is preempted by the federal Bus Regulatory Reform Act of 1982 (P.L. 97-261), as amended.

SEC. 2. Section 454.2 is added to the Public Utilities Code, to read:

454.2. Notwithstanding Section 454, the commission may, upon application, establish a "zone of rate freedom" for any passenger stage transportation service which the commission finds is operating in competition with another substantially similar passenger stage transportation service or competitive passenger transportation service from any other means of transportation, if the commission finds that these competitive transportation services will result in reasonable rates and charges when considered along with the authorized zone of rate freedom. An adjustment in rates or charges within a zone of rate freedom established by the commission is hereby deemed just and reasonable. The commission may, upon protest or on its own motion, suspend any adjustment in rates or charges under this section and institute proceedings pursuant to Section 491.

SEC. 3. Section 491.1 is added to the Public Utilities Code, to read:

491.1. Notwithstanding Section 491, the commission may authorize a passenger stage corporation, upon one day's notice, to reduce its rates and charges to not less than those of a competing passenger transportation service operating over substantially the

same route pursuant to federal operating authority. The commission may attach any conditions it finds reasonable or necessary.

SEC. 4. Section 1032.5 is added to the Public Utilities Code, to read:

1032.5. The commission shall issue a certificate pursuant to this article to every passenger stage corporation which conducts intrastate passenger transportation service pursuant to federal operating authority, to the extent that regulation of these operations is not preempted by the federal Bus Regulatory Reform Act of 1982 (P.L. 97-261), as amended. The commission may attach any conditions or limitations to the issuance of the certificate which it may specify, consistent with federal law and regulation.

SEC. 5. Section 1040 is added to the Public Utilities Code, to read:

1040. The commission shall, in issuing a certificate pursuant to this article, require the passenger stage corporation to procure, and to continue in effect during the life of the certificate, adequate protection against liability imposed by law upon the corporation for the payment of damages for personal bodily injuries, including death resulting therefrom, protection against a total liability of the corporation on account of bodily injuries to, or death of, more than one person as a result of any one accident, and protection against damage or destruction of property. The minimum requirements for these assurances of protection against liability shall not be less than the requirements which are applicable to operations of carriers conducted pursuant to the federal Bus Regulatory Reform Act of 1982 (P.L. 97-261), as amended.

SEC. 6. Section 3505 of the Public Utilities Code is amended to read:

3505. The provisions of this chapter do not apply to any of the following:

(a) The transportation of baggage and express which is incidental to the transportation of passengers by passenger stage corporations as defined in Section 226.

(b) The transportation by towing of a disabled vehicle.

(c) The transportation other than by towing of not more than three vehicles, or not more than two vehicles in addition to one towed vehicle, when those vehicles are in transit to be repaired or dismantled.

(d) The transportation by towing of a vehicle which was illegally parked.

(e) Providing pickup and delivery services for express packages, newspapers, or mail in a commercial zone, as defined in paragraph (1) of subsection (b) of Section 10526 of Title 49 of the United States Code, if the shipment has had or will have a prior or subsequent movement by a passenger stage corporation.

SEC. 7. Section 5384 of the Public Utilities Code is amended to read:

5384. The commission shall issue permits to persons, who are otherwise qualified, whose passenger carrier operations fall into the

following categories:

(a) Specialized carriers, who do not hold themselves out to serve the general public, but only provide service under contract with industrial and business firms, governmental agencies, and private schools, or who only transport agricultural workers to and from farms for compensation or who only conduct transportation services, which are incidental to another business. The permits shall be limited to a 50-mile radius of operation from the home terminal.

(b) Carriers using only vehicles under 15-passenger seating capacity and under 25 feet in length.

(c) Carriers conducting round trip sightseeing tour services.

SEC. 8. Section 5401 of the Public Utilities Code is amended to read:

5401. Charges for the transportation to be offered or afforded by a charter-party carrier of passengers shall be computed and assessed on a vehicle mileage or time of use basis, or on a combination thereof, which charges may vary in accordance with the passenger capacity of the vehicle, or the size of the group to be transported. However, it is not lawful for a charter-party carrier of passengers to, directly or through an agent or otherwise, or for a broker to, contract, agree, or arrange to charge, or to demand or receive compensation, for the transportation offered or afforded which shall be computed, charged, or assessed on an individual-fare basis, except schoolbus contractors who are compensated by parents of children attending public, private, or parochial schools and except operators of round-trip sightseeing tour services conducted under a permit issued pursuant to subdivision (c) of Section 5384.

SEC. 9. The Legislature recognizes that the Public Utilities Commission must redirect existing resources to accomplish the tasks and purposes required by this act. The Public Utilities Commission shall report to the Legislature, in the manner provided in Section 28 of the Budget Act of 1983, those other activities of the Public Utilities Commission which will be curtailed or eliminated, notwithstanding any other provision of law which requires those activities, in order to accomplish the purposes of this act.

CHAPTER 143

An act to amend Sections 65864 and 65865.2 of the Government Code, relating to local government.

[Approved by Governor May 31, 1984 Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 65864 of the Government Code is amended to read:

65864. The Legislature finds and declares that:

(a) The lack of certainty in the approval of development projects can result in a waste of resources, escalate the cost of housing and other development to the consumer, and discourage investment in and commitment to comprehensive planning which would make maximum efficient utilization of resources at the least economic cost to the public.

(b) Assurance to the applicant for a development project that upon approval of the project, the applicant may proceed with the project in accordance with existing policies, rules and regulations, and subject to conditions of approval, will strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic costs of development.

(c) The lack of public facilities, including, but not limited to, streets, sewerage, transportation, drinking water, school, and utility facilities, is a serious impediment to the development of new housing. Whenever possible, applicants and local governments may include provisions in agreements whereby applicants are reimbursed over time for financing public facilities.

SEC. 2. Section 65865.2 of the Government Code is amended to read:

65865.2. A development agreement shall specify the duration of the agreement, the permitted uses of the property, the density or intensity of use, the maximum height and size of proposed buildings, and provisions for reservation or dedication of land for public purposes. The development agreement may include conditions, terms, restrictions, and requirements for subsequent discretionary actions, provided that such conditions, terms, restrictions, and requirements for subsequent discretionary actions shall not prevent development of the land for the uses and to the density or intensity of development set forth in the agreement. The agreement may provide that construction shall be commenced within a specified time and that the project or any phase thereof be completed within a specified time.

The agreement may also include terms and conditions relating to applicant financing of necessary public facilities and subsequent reimbursement over time.

CHAPTER 144

An act to amend Sections 100, 151, 156, 313.1, 581, 582, 583, 584, 2688, 2750, 2761, 2930, 3090, 3328, 4008.2, 4977, 10171.3, 19824, 19825, and 19826 of, to amend and renumber Section 6926.1 of, and to repeal the heading of Article 3 (commencing with Section 10540) of Chapter 7 of Part 1 of Division 4 of, the Business and Professions Code, to

amend Sections 9916.5, 25102, and 25608 of, the Corporations Code, to amend Sections 35031, 56362.5, and 87782 of the Education Code, to amend Section 3404 of, and to add Section 8183 to, the Fish and Game Code, to amend Sections 222, 405, 436, 505, 4253, 5824, 5827, 9572, 38882, and 68081 of, to amend and renumber Sections 70500, 70501, 70502, 70503, 70504, 70505, 70600, 70601, 70602, 70603, 70604, 70605, 70606, 70607, 70608, 70609, 70610, 70611, 70612, 70613, 70630, 70631, 70632, 70633, 70634, 70650, 70651, 70652, 70653, 70654, 70655, 70656, 70657, 70680, 70681, 70682, 70683.1, 70684, 70685, 70686, 70687, 70688, 70689, 70690, 70700, 70701, 70720, 70721, 70722, 70723, 70724, and 70740 of, to amend and renumber the heading of Article 6 (commencing with Section 520) of Chapter 3 of Part 1 of Division 1 of, and to repeal Section 8183 of, the Food and Agricultural Code, to amend Sections 8169.2, 11014, 11019, 11565, 11566, 12016, 12100, 12150, 12300, 12400, 12405, 12463.1, 12520, 13008, 13141, 14030, 14606, 14610, 14650, 14651, 14654, 14655, 14658, 14760, 14956, 15606, 15957, 19996.22, 19996.28, 19996.33, 20011.1, 20133, 20230.5, 20300, 20581, 20631, 20801, 20802, 20803.4, 20952, 20986, 21154, 21155.1, 21158, 21202, 21263.3, and 27387 of, to amend and renumber Sections 3517.7, 54701, 54702, and 54703, the heading of Chapters 6.1 (commencing with Section 54701) and 6.4 (commencing with Section 54700.1) of Part 1 of Division 2 of Title 2 of, and to repeal Sections 7506.5, 12803.2, 12803.3, and 12803.4 of, the Government Code, to amend Sections 1373.8, 18913, 25150.1, 25180, 25288.3, and 56032 of the Health and Safety Code, to amend Section 1859.1 of the Insurance Code, to amend Section 422 of the Military and Veterans Code, to amend Section 11167 of, to amend and renumber Sections 367a, 1203.04, and 11105.2 of, and to repeal Chapter 13 (commencing with Section 571) of Title 13 of Part 1 of, the Penal Code, to amend Section 591.4 of the Probate Code, to amend and renumber Section 5003.2 of the Public Resources Code, to amend Sections 1202.1, 2705.5, 2726, 2778, 2907, 7801, 21677, 22014, 22015, 22016, 29155, 29156, 29157, 29212, 29751, 29752, 30640, 30645, 30706, 30900, and 30980 of, the Public Utilities Code, to amend Sections 271, 6203, 6422.1, 6932, 6933, 7710, 10910, and 18512 of, and to amend and renumber Sections 18510, 18511, 18512, and 18513 of, and to amend and renumber the heading of Article 7 (commencing with Section 18510) of Chapter 17 of Part 10 of Division 2 of, the Revenue and Taxation Code, to amend Sections 1500, 2100, 2109, 2901, 4300.5, 9853.2, 16250, 16251, 17702, and 17703 of, and to repeal the heading of Article 3 (commencing with Section 42050) of Chapter 1 of Division 18 of, the Vehicle Code, to amend Sections 4177, 4178, 31029, and 31142 of the Water Code, to amend Section 321 of, to amend and renumber Section 13000 of, and to amend and renumber the heading of Chapter 5 (commencing with Section 13000) of Part 3 of Division 9 of, the Welfare and Institutions Code, and to repeal Chapter 447 of the Statutes of 1971, relating to maintenance of the codes.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 100 of the Business and Professions Code is amended to read:

100. There is in the state government, in the State and Consumer Services Agency, a Department of Consumer Affairs.

SEC. 2. Section 151 of the Business and Professions Code is amended to read:

151. The director is appointed by the Governor and holds office at the Governor's pleasure. The director shall receive the annual salary provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2 of the Government Code, and necessary traveling expenses. The director shall execute and furnish to the state an official bond in the sum of twenty-five thousand dollars ($25,000) conditioned upon the faithful performance of the director's duties.

SEC. 3. Section 156 of the Business and Professions Code is amended to read:

156. The director may, at the request and with the consent of the particular board within the department on whose behalf the contract is to be made, enter into contracts pursuant to Sections 11255 to 11259, inclusive, of the Government Code for and on behalf of any board within the department.

SEC. 4. Section 313.1 of the Business and Professions Code is amended to read:

313.1. (a) Notwithstanding any other provision of law to the contrary, no rule or regulation, other than those relating to examinations and qualifications for licensure, and no fee change promulgated by any of the boards, commissions, or committees within the department, shall take effect until submitted to the director for review.

(b) The director shall have the authority, for a period of 30 days after the proposed rule, regulation, or fee change has been submitted to him or her, to disapprove it on the ground that it is injurious to the public health, safety, or welfare. If it is so disapproved it shall have no further force or effect unless the disapproval is reversed by a unanimous vote of the board, commission, or committee proposing it, in which event it shall become effective upon compliance with the further procedures required by Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(c) Nothing in this section shall be construed to prohibit the director from affirmatively approving a proposed rule, regulation, or fee change at any time within the 30-day period after it has been submitted to him or her, in which event it shall become effective upon compliance with the further procedures required by Chapter

3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 5. Section 581 of the Business and Professions Code is amended to read:

581. No person, company, or association shall purchase or procure by barter or by any unlawful means or method, any diploma, certificate or transcript, with intent that it shall be used as evidence of the holder's qualifications to practice as a physician and surgeon, osteopathic physician, a naturopath, a drugless practitioner, a podiatrist, or a midwife or any other system or mode of treating the sick or afflicted as provided in the State Medical Practice Act in Chapter 5 (commencing with Section 2000), relating to the practice of medicine, or in any fraud of the law regulating this practice or, shall with fraudulent intent, alter in a material regard, any such diploma, certificate, or transcript.

SEC. 6. Section 582 of the Business and Professions Code is amended to read:

582. No person, company, or association shall use or attempt to use any diploma, certificate, or transcript which has been purchased, fraudulently issued, illegally obtained, counterfeited, or materially altered, either as a certificate or as to character or color of certificate, to practice as a physician and surgeon, naturopath, drugless practitioner, podiatrist or midwife, osteopathic physician or a drugless practitioner, chiropractor or to practice any other system or mode of treating the sick or afflicted, provided in the State Medical Practice Act or in Chapter 5 (commencing with Section 2000), relating to the practice of medicine.

SEC. 7. Section 583 of the Business and Professions Code is amended to read:

583. No person shall in any affidavit required of an applicant for examination, license, certificate, or registration under the State Medical Practice Act or under Chapter 5 (commencing with Section 2000), relating to the practice of medicine, the Osteopathic Initiative Act, or the Chiropractic Initiative Act, willfully make a false statement in a material regard.

SEC. 8. Section 584 of the Business and Professions Code is amended to read:

584. No person shall impersonate or attempt to impersonate another in any examination for a certificate to practice as provided in the State Medical Practice Act or in Chapter 5 (commencing with Section 2000), relating to the practice of medicine, the Osteopathic Initiative Act, or the Chiropractic Initiative Act, or under any other law providing for the regulation of any other system or method of treating the sick or afflicted in this state.

SEC. 9. Section 2688 of the Business and Professions Code is amended to read:

2688. The amount of fees provided in connection with licenses, certificates, or approvals for the practice of physical therapy is as follows:

(a) The application fee shall be fixed by the examining committee at not more than fifty dollars ($50). The application fee for an applicant under Section 2653 shall be fixed by the examining committee at not more than one hundred dollars ($100).

(b) The reexamination fee shall be fixed by the examining committee at not more than fifty dollars ($50).

(c) The initial license fee for a physical therapist is an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the license is issued, except that if the license will expire less than one year after its issuance, then the initial license fee is an amount equal to 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the license is issued. The committee may, by regulation, provide for the waiver or refund of the initial license fee where the license is issued less than 45 days before the date on which it will expire.

(d) The renewal fee shall be fixed by the examining committee at not more than fifty dollars ($50).

(e) A fee to be set by the examining committee of not more than fifty dollars ($50) shall be charged for each application for approval as a physical therapist assistant and the approval which may be granted.

(f) A fee to be set by the examining committee of not more than fifty dollars ($50) shall be charged for renewal of each approval as a physical therapist assistant.

(g) The delinquency fee shall be 50 percent of the renewal fee in effect, but not more than twenty-five dollars ($25).

(h) The duplicate license fee is two dollars ($2).

(i) The endorsement fee is five dollars ($5).

SEC. 10. Section 2750 of the Business and Professions Code is amended to read:

2750. Every certificate holder or licensee, including licensees holding temporary licenses, or licensees holding licenses placed in an inactive status, may be disciplined as provided in this article. The proceedings under this article shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the board shall have all the powers granted therein.

SEC. 11. Section 2761 of the Business and Professions Code is amended to read:

2761. The board may take disciplinary action against a certified or licensed nurse or an applicant for a certificate or license for any of the following:

(a) Unprofessional conduct, which includes, but is not limited to, the following:

(1) Incompetence, or gross negligence in carrying out usual nursing functions or nurse anesthetist functions.

(2) A conviction of practicing medicine without a license in violation of Chapter 5 (commencing with Section 2000), in which event the record of conviction shall be conclusive evidence thereof.

(3) The use of advertising relating to nursing which violates Section 17500.

(b) Procuring his or her certificate by fraud, misrepresentation, or mistake.

(c) Procuring, or aiding, or abetting, or attempting, or agreeing, or offering to procure or assist at a criminal abortion.

(d) Violating or attempting to violate, directly or indirectly, or assisting in or abetting the violating of, or conspiring to violate any provision or term of this chapter or regulations adopted pursuant to it.

(e) Making or giving any false statement or information in connection with the application for issuance of a license.

(f) Conviction of a felony or of any offense substantially related to the qualifications, functions, and duties of a registered nurse, in which event the record of the conviction shall be conclusive evidence thereof.

(g) Impersonating any applicant or acting as proxy for an applicant in any examination required under this chapter for the issuance of a license.

(h) Impersonating another licensed practitioner, or permitting or allowing another person to use his or her certificate for the purpose of nursing the sick or afflicted.

(i) Aiding or assisting, or agreeing to aid or assist any person or persons, whether a licensed physician or not, in the performance of, or arranging for, a violation of any of the provisions of Article 13 (commencing with Section 2360) of Chapter 5.

(j) Holding oneself out to the public or to any practitioner of the healing arts as a "nurse practitioner" or as meeting the standards established by the board for a nurse practitioner unless meeting the standards established by the board pursuant to Article 8 (commencing with Section 2834).

(k) Revocation or suspension of a license to practice nursing by another state or territory of the United States for any act or omission which would constitute grounds for the revocation or suspension of a license in this state.

SEC. 12. Section 2930 of the Business and Professions Code is amended to read:

2930. The committee shall from time to time adopt such rules and regulations as may be necessary to effectuate this chapter. In adopting rules and regulations the committee shall comply with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 13. Section 3090 of the Business and Professions Code is amended to read:

3090. The certificate of registration of any person registered under this chapter, or any former act relating to the practice of optometry, may be revoked or suspended for a fixed period by the board for any of the causes provided in this article or for unprofessional conduct, gross ignorance, or inefficiency in his or her

profession or for any violation of this chapter or of the rules and regulations promulgated by the board pursuant to this chapter and in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The proceedings under this article shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the board shall have all the powers granted therein.

SEC. 14. Section 3328 of the Business and Professions Code is amended to read:

3328. The committee may make recommendations to the board and the board shall make and promulgate rules and regulations as may be necessary to enable it to carry into effect this chapter. These rules and regulations shall be in accordance with, and not inconsistent with, this chapter. The rules and regulations shall be adopted, amended, or repealed in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 15. Section 4008.2 of the Business and Professions Code is amended to read:

4008.2. The board may by rule or regulation adopt, amend, or repeal rules of professional conduct appropriate to the establishment and maintenance of a high standard of integrity and dignity in the profession.

The adoption, amendment, or repeal of these rules or regulations shall be made in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

Every person who holds a certificate, license, permit, registration, or exemption issued by the board shall be governed and controlled by the rules of professional conduct adopted by the board.

SEC. 16. Section 4977 of the Business and Professions Code is amended to read:

4977. An acupuncture corporation shall not do or fail to do any act the doing of which or the failure to do which would constitute unprofessional conduct under Article 4 (commencing with Section 4955). In the conduct of its practice, it shall observe and be bound by statutes and regulations to the same extent as a person holding a certificate under this chapter.

SEC. 17. Section 6926.1 of the Business and Professions Code, as added by Chapter 170 of the Statutes of 1983, is amended and renumbered to read:

6926.12. Any terms, rates, and conditions set forth in any written agreement between a licensee and his or her customer by which claims are assigned for collection shall be specific, intelligible, and unambiguous. In the absence of a written agreement, the interpretation of the customer shall be accepted, unless the previous conduct of the parties evidences a contrary mutual understanding.

SEC. 18. Section 10171.3 of the Business and Professions Code is

amended to read:

10171.3. On and after January 1, 1981, a real estate license, which has been revoked as the result of disciplinary action by the commissioner, shall not be reinstated, nor shall a restricted real estate license be issued to an applicant in connection with a petition for reinstatement, unless the applicant presents evidence of completion of the continuing education required by this article. This requirement of evidence of continuing education shall not be imposed upon an applicant for reinstatement who has been required under Section 10182 to pass a qualifying examination as a condition to reinstatement.

SEC. 19. The heading of Article 3 (commencing with Section 10540) of Chapter 7 of Part 1 of Division 4 of the Business and Professions Code is repealed.

SEC. 20. Section 19824 of the Business and Professions Code is amended to read:

19824. This chapter shall not prohibit the enactment, amendment, or enforcement of any ordinance by any county, city, or city and county relating to gaming clubs which is not inconsistent with this chapter.

SEC. 21. Section 19825 of the Business and Professions Code is amended to read:

19825. This chapter shall not be applicable to any bingo game which is conducted in a city, county, or city and county pursuant to Section 326.5 of the Penal Code.

SEC. 22. Section 19826 of the Business and Professions Code is amended to read:

19826. This chapter applies to all gaming clubs in existence on or after July 1, 1984.

SEC. 23. Section 9916.5 of the Corporations Code is amended to read:

9916.5. Subdivisions (a) and (d) of Section 5220 apply to subject corporations governed by the nonprofit public benefit corporation law and subdivisions (a) and (d) of Section 7220 apply to subject corporations governed by the nonprofit mutual benefit corporation law, provided that:

(a) If a director on January 1, 1980, is serving a term in excess of three years in duration, the director may continue to serve until December 31, 1982, or until the expiration of the term whichever is earlier.

(b) If, on January 1, 1980, more than one-third of the directors of a corporation hold office by virtue of designation or selection, they may continue to do so until December 31, 1982.

SEC. 24. Section 25102 of the Corporations Code is amended to read:

25102. The following transactions are exempted from the provisions of Section 25110:

(a) Any offer (but not a sale) not involving any public offering and the execution and delivery of any agreement for the sale of

securities pursuant to such offer if (1) the agreement contains substantially the following provision: "The sale of the securities which are the subject of this agreement has not been qualified with the Commissioner of Corporations of the State of California and the issuance of such securities or the payment or receipt of any part of the consideration therefor prior to such qualification is unlawful. The rights of all parties to this agreement are expressly conditioned upon such qualification being obtained."; and (2) no part of the purchase price is paid or received and none of the securities is issued until the sale of such securities is qualified under this law.

(b) Any offer (but not a sale) of a security for which a registration statement has been filed under the Securities Act of 1933 but has not yet become effective, if no stop order or refusal order is in effect and no public proceeding or examination looking toward such an order is pending under Section 8 of the act and no order under Section 25140 or subdivision (a) of Section 25143 is in effect under this law.

(c) Any offer (but not a sale) and the execution and delivery of any agreement for the sale of securities pursuant to such offer as may be permitted by the commissioner upon application. Any negotiating permit under this subdivision shall be conditioned to the effect that none of the securities may be issued and none of the consideration therefor may be received or accepted until the sale of such securities is qualified under this law.

(d) Any transaction or agreement between the issuer and an underwriter or among underwriters if the sale of the securities is qualified, or exempt from qualification, at the time of distribution thereof in this state, if any.

(e) Any offer or sale of any evidence of indebtedness, whether secured or unsecured, and any guarantee thereof, in a transaction not involving any public offering.

(f) Any offer or sale of any security in a transaction (other than an offer or sale to a pension or profit-sharing trust of the issuer) which meets each of the following criteria:

(1) Sales of the security are not made to more than 35 persons, including persons not in this state.

(2) All purchasers either have a preexisting personal or business relationship with the offeror or any of its partners, officers, directors, or controlling persons, or by reason of their business or financial experience or the business or financial experience of their professional advisors who are unaffiliated with and who are not compensated by the issuer or any affiliate or selling agent of the issuer, directly or indirectly, could be reasonably assumed to have the capacity to protect their own interests in connection with the transaction.

(3) Each purchaser represents that the purchaser is purchasing for the purchaser's own account (or a trust account if the purchaser is a trustee) and not with a view to or for sale in connection with any distribution of the security.

(4) The offer and sale of the security is not accomplished by the

publication of any advertisement. The number of purchasers referred to above is exclusive of any described in subdivision (i), any officer, director, or affiliate of the issuer and any other purchaser whom the commissioner designates by rule. For purposes of this section, a husband and wife (together with any custodian or trustee acting for the account of their minor children) are counted as one person and a partnership, corporation or other organization which was not specifically formed for the purpose of purchasing the security offered in reliance upon this exemption, is counted as one person. The commissioner may by rule require the issuer to file a notice of transactions under this subdivision; provided, however, that the failure to file the notice or the failure to file the notice within the time specified by the rule of the commissioner shall not affect the availability of this exemption. An issuer who fails to file the notice as provided by rule of the commissioner shall, within 15 business days after demand by the commissioner, file the notice and pay to the commissioner a fee equal to the fee payable had the transaction been qualified under Section 25110.

(g) Any offer or sale of conditional sale agreements, equipment trust certificates, or certificates of interest or participation therein or partial assignments thereof, covering the purchase of railroad rolling stock or equipment or the purchase of motor vehicles, aircraft, or parts thereof, in a transaction not involving any public offering.

(h) Any offer or sale of voting common stock by a corporation incorporated in any state if, immediately after the proposed sale and issuance, there will be only one class of stock of such corporation outstanding which is owned beneficially by no more than 35 persons, provided all of the following requirements have been met:

(1) All such stock shall be evidenced by certificates which shall have stamped or printed prominently on their face a legend in a form to be prescribed by rule of the commissioner restricting transfer of such stock in such manner as the rule provides.

(2) The offer and sale of such stock is not accompanied by the publication of any advertisement, and no selling expenses have been given, paid, or incurred in connection therewith.

(3) The consideration to be received by the issuer for the stock to be issued shall consist of (i) only assets (which may include cash) of an existing business enterprise transferred to the issuer upon its initial organization, of which all of the persons who are to receive the stock to be issued pursuant to this exemption were owners during, and such enterprise was operated for, a period of not less than one year immediately preceding the proposed issuance, and the ownership of such enterprise immediately prior to such proposed issuance was in the same proportions as the shares of stock are to be issued, or (ii) only cash or cancellation of indebtedness for money borrowed or both upon the initial organization of the issuer, provided all such stock is issued for the same price per share, or (iii) only cash, provided the sale is approved in writing by each of the existing shareholders and the purchaser or purchasers are existing

shareholders, or (iv), in a case where after the proposed issuance there will be only one owner of the stock of the issuer, any legal consideration.

(4) No promotional consideration has been given, paid, or incurred in connection with such issuance. Promotional consideration means any consideration paid directly or indirectly to a person who, acting alone or in conjunction with one or more other persons, takes the initiative in founding and organizing the business or enterprise of an issuer, for services rendered in connection with such founding or organizing.

(5) A notice in a form prescribed by rule of the commissioner, signed by an active member of the State Bar of California, shall be filed with or mailed for filing to the commissioner not later than 10 business days after receipt of consideration for the securities by the issuer, which notice shall contain an opinion of such member of the State Bar of California that the exemption provided by this subdivision is available for the offer and sale of the securities. Such notice, except when filed on behalf of a California corporation, shall be accompanied by an irrevocable consent, in such form as the commissioner by rule prescribes, appointing the commissioner or the commissioner's successor in office to be the issuer's attorney to receive service of any lawful process in any noncriminal suit, action, or proceeding against it or its successor which arises under this law or any rule or order hereunder after the consent has been filed, with the same force and validity as if served personally on the issuer. An issuer on whose behalf a consent has been filed in connection with a previous qualification or exemption from qualification under this law (or application for a permit under any prior law if the application or notice under this law states that such consent is still effective) need not file another. Service may be made by leaving a copy of the process in the office of the commissioner but it is not effective unless (1) the plaintiff, who may be the commissioner in a suit, action, or proceeding instituted by him or her, forthwith sends notice of the service and a copy of the process by registered or certified mail to the defendant or respondent at its last address on file with the commissioner, and (2) the plaintiff's affidavit of compliance with this section is filed in the case on or before the return day of the process, if any, or within such further time as the court allows.

For the purposes of this subdivision, all securities held by a husband and wife, whether or not jointly, shall be considered to be owned by one person, and all securities held by a corporation which has issued stock pursuant to this exemption shall be considered to be held by the shareholders to whom it has issued such stock.

(i) Any offer or sale (1) to a bank, savings and loan association, trust company, insurance company, investment company registered under the Investment Company Act of 1940, pension or profit-sharing trust (other than a pension or profit-sharing trust of the issuer, a self-employed individual retirement plan, or individual retirement account), or such other institutional investor or

governmental agency or instrumentality as the commissioner may designate by rule, whether the purchaser is acting for itself or as trustee, or (2) to any corporation with outstanding securities registered under Section 12 of the Securities Exchange Act of 1934 or any wholly owned subsidiary of such a corporation which after the offer and sale will own directly or indirectly 100 percent of the outstanding capital stock of the issuer; provided the purchaser represents that it is purchasing for its own account (or for such trust account) for investment and not with a view to or for sale in connection with any distribution of the security.

(j) Any offer or sale of any certificate of interest or participation in an oil or gas title or lease (including subsurface gas storage and payments out of production) if (1) all of the purchasers: (i) are and have been during the preceding two years engaged primarily in the business of drilling for, producing, or refining oil or gas (or whose corporate predecessor, in the case of a corporation, has been so engaged), or (ii) are persons described in clause (1) of subdivision (i), or (iii) have been found by the commissioner upon written application to be substantially engaged in the business of drilling for, producing or refining oil or gas so as not to require the protection provided by this law (which finding shall be effective until rescinded), or (2) such security is concurrently hypothecated to a bank in the ordinary course of business to secure a loan made by such bank; provided each purchaser represents that it is purchasing for its own account for investment and not with a view to or for sale in connection with any distribution of the security.

(k) Any offer or sale of any security under, or pursuant to, a plan of reorganization under Chapter 11 of the federal bankruptcy law which has been confirmed or is subject to confirmation by the decree or order of a court of competent jurisdiction.

(*l*) Any offer or sale of an option, warrant, put, call, or straddle, and any guarantee of any of these securities, by a person who is not the issuer of the security subject to such right, if the transaction, had it involved an offer or sale of the security subject to such right by such person, would not have violated Section 25110 or 25130.

(m) Any offer or sale of a stock to a pension, profit-sharing, stock bonus or employee stock ownership plan provided that (1) the plan meets the requirements for qualification under Section 401 of the Internal Revenue Code, and (2) the employees are not required or permitted individually to make any contributions to the plan. The exemption provided by this subdivision shall not be affected by whether the stock is contributed to the plan, purchased from the issuer with contributions by the issuer or an affiliate of the issuer, or purchased from the issuer with funds borrowed from the issuer, an affiliate of the issuer or any other lender.

SEC. 25. Section 25608 of the Corporations Code is amended to read:

25608. (a) The commissioner shall charge and collect the fees fixed in this section. All fees charged and collected under this section

shall be transmitted to the State Treasurer at least weekly, accompanied by a detailed statement thereof and shall be credited to the General Fund.

(b) The fee for filing an application for a negotiating permit under subdivision (c) of Section 25102 is fifty dollars ($50).

(c) The fee for filing a notice pursuant to clause 5 of subdivision (h) of Section 25102 and the fee for filing a notice pursuant to paragraph (4) of subdivision (f) of Section 25102, in addition to the fee prescribed in that clause, if applicable, shall be determined based on the value of the securities sold in the transaction for which the notice is filed and in accordance with subdivision (g), and shall be as follows:

Value of Securities Sold	Filing Fee
$25,000 or less	$ 25
$25,001 to $100,000	$ 35
$100,001 to $500,000	$ 50
$500,001 to $1,000,000	$150
Over $1,000,000	$300

(d) The fee for filing an application for designation of an issuer pursuant to subdivision (k) of Section 25100 is fifty dollars ($50).

(e) The fee for filing an application for qualification of the sale of securities by notification under Section 25112 or by permit under Section 25113 (except applications for qualification by permit of the sale of any guarantee of any security, the fees for which applications are fixed in subdivision (k)) is one hundred dollars ($100) plus one-tenth of 1 percent of the aggregate value of the securities sought to be sold in this state up to a maximum aggregate fee of one thousand seven hundred fifty dollars ($1,750).

(f) The fee for filing an application for qualification of the sale of securities by coordination under Section 25111 is one hundred dollars ($100) plus one-tenth of 1 percent of the aggregate value of the securities sought to be sold in this state up to a maximum aggregate fee of one thousand five hundred fifty dollars ($1,550).

(g) For the purpose of determining the fees fixed in subdivisions (e) and (f):

(1) The value of the securities shall be the price at which the company proposes to sell the securities, or the value, as alleged in the application, or the actual value, as determined by the commissioner, of the consideration (if other than money) to be received in exchange therefor, or of the securities when sold, whichever is greater.

(2) Interim or voting trust certificates shall have a value equal to the aggregate value of the securities to be represented by the interim or voting trust certificates.

(3) The value of a warrant or right to purchase or subscribe to another security of the same or another issuer shall be an amount equal to the consideration to be paid for such warrant or right plus an amount equal to the consideration to be paid upon purchase of the

additional securities, provided that if such latter amount is not determinable at the time of qualification, such amount shall be the then value of such additional securities as determined by the commissioner.

(4) In the case of a share dividend where the shareholders are given an option to accept either cash or additional shares of common stock, the value of the securities to be sold shall be the maximum amount of cash which would be payable in the event that all shareholders elected to accept cash.

(h) The fee for filing an application for qualification of the sale of securities by permit under Section 25121 is:

(1) One hundred dollars ($100) in connection with any change (including any stock split or reverse stock split or stock dividend, except a stock dividend where the shareholders are given an option to accept either cash or additional shares of common stock) in the rights, preferences, privileges, or restrictions of or on outstanding securities;

(2) One hundred dollars ($100) plus one-tenth of 1 percent of the value, as alleged in the application, or the actual value, as determined by the commissioner, of the consideration to be received in exchange therefor, up to a maximum aggregate fee of one thousand seven hundred fifty dollars ($1,750), in any exchange of securities by the issuer with its existing security holders exclusively, or in any exchange in connection with any merger or consolidation or purchase of corporate assets in consideration of the issuance of securities.

(i) The fee for filing an application for qualification of the sale of securities by notification under Section 25131 shall be sixty dollars ($60).

(j) The fee for an application for the removal of any condition under Section 25141 is fifty dollars ($50).

(k) The fee for filing any application for a permit to execute or issue any guarantee of any security is fifty dollars ($50).

(*l*) The fee for acting as escrow holder for securities under Section 25149 is fifty dollars ($50). In addition, a fee of two dollars and fifty cents ($2.50) shall be paid for the deposit with the commissioner of each new certificate or other document resulting from a transfer in escrow.

(m) The fee for filing an application for an order (1) consenting to the transfer in escrow of securities, (2) consenting to the transfer of securities subject to any condition imposed by the commissioner requiring the commissioner's consent to such transfer, or (3) consenting to the transfer of securities subject to a legend stamped or printed on the certificates evidencing such securities pursuant to subdivision (h) of Section 25102, is ten dollars ($10) for each transferor.

(n) The filing fee for an amendment to an application filed after the effective date of the qualification of the sale of securities is fifty dollars ($50) plus any additional fee which would have been required to be paid with the original application for qualification of the sale

of securities under this section if the matters set forth in the amendment had been included in the original application.

(o) (1) The fee for filing an application for a broker-dealer certificate under Section 25211 is three hundred dollars ($300).

(2) Each broker-dealer shall pay to the commissioner its pro rata share of all costs and expenses, reasonably incurred in the administration of the broker-dealer program under this division, as estimated by the commissioner for the ensuing year and any deficit actually incurred or anticipated in the administration of the program in the year in which such assessment is made. The pro rata share shall be the proportion which the broker-dealer's number of agents and offices in this state bears to the aggregate number of broker-dealer offices and agents in this state as shown by the annual reports to the commissioner. The pro rata share shall not include the costs of any examinations, audit, or investigation provided for in subdivision (r), unless they cannot be collected from the licensee examined, audited, or investigated.

(3) On or before the 30th day of May in each year, the commissioner shall notify each broker-dealer by mail of the amount assessed and levied against it and that amount shall be paid within 20 days thereafter. If payment is not made within 20 days, the commissioner shall assess and collect a penalty in addition to the assessment, of 1 percent of the assessment for each month or part of a month that the payment is delayed or withheld.

(4) In the levying and collection of the assessment, a broker-dealer shall not be assessed for nor be permitted to pay less than one hundred fifty dollars ($150) per year.

(5) If a broker-dealer fails to pay the assessment on or before the 30th day of June following the day upon which payment is due, the commissioner may by order summarily suspend or revoke the certificate issued to such broker-dealer. If, after such an order is made, a request for hearing is filed in writing and a hearing is not held within 60 days thereafter, the order is deemed rescinded as of its effective date. During any period when its certificate is revoked or suspended, a broker-dealer shall not conduct business pursuant to this division except as may be permitted by order of the commissioner; provided, however, that the revocation, suspension, or surrender of a certificate shall not affect the powers of the commissioner as provided in this division.

(p) The commissioner may by rule fix a fee of not to exceed twenty-five dollars ($25) for the filing of a notice or report required by rule adopted pursuant to subdivision (b) of Section 25210.

(q) The fee for filing an application for an investment adviser under Section 25231 is two hundred fifty dollars ($250), and payment of this amount shall keep the certificate, if granted, in effect during the calendar year during which it is granted, and if that year is an even-numbered year during the following calendar year. Every investment adviser who has secured from the commissioner a certificate shall, in order to keep such certificate in effect for an additional

two-year period, pay a renewal fee of two hundred fifty dollars ($250) on or before the 15th day of December preceding the additional period.

(r) The fee for any examination, audit, or investigation is the actual amount of the salary or other compensation paid to the persons making the examination, audit, or investigation plus the actual amount of expenses including overhead reasonably incurred in the performance of the work

(s) The fee for any hearing held by the commissioner pursuant to Section 25142 shall be the sum determined by the commissioner to cover the actual expense of noticing and holding such hearing.

(t) The commissioner may fix by rule a reasonable charge for any publications issued under his or her authority. The charges shall not apply to reports of the commissioner in the ordinary course of distribution.

(u) The fee for filing an offer under subdivision (b) of Section 25507 shall be the amount of filing fee payable under subdivision (e), (f), (h) or (i) of this section if an application had been filed to qualify the transaction in which the securities upon which the offer is to be made were sold in violation of the qualification provisions of this law.

(v) The fee for filing an application for exemption pursuant to subdivision (*l*) of Section 25100 is two hundred fifty dollars ($250).

(w) The commissioner may by rule require payment of a fee for filing a notice or report required by a rule adopted pursuant to Section 25105. The fee required in connection with a transaction as defined by such rule shall not exceed the fees specified in subdivision (c) based on the value of the securities sold, but the commissioner may permit a single notice for more than one transaction.

SEC. 26. Section 35031 of the Education Code is amended to read:

35031. Any district superintendent of schools, or deputy, associate, or assistant superintendent of schools, may be elected for a term of four years. The governing board of any school district, with the consent of the employee concerned, may at any time terminate, effective on the next succeeding first day of July, the term of employment of, and any contract of employment with, the superintendent of schools, or any associate, deputy, or assistant superintendent of schools of the district, and reelect or reemploy the employee, on those terms and conditions as may be mutually agreed upon by the board and the employee, for a new term to commence on the effective date of the termination of the existing term of employment. In the event the governing board of a school district determines the superintendent of schools of the district, or deputy, associate, or assistant superintendent of schools, or employee in the senior management of the classified service is not to be reelected or reemployed as such upon the expiration of his or her term, he or she shall be given written notice thereof by the governing board at least 45 days in advance of the expiration of his or her term. In the event the governing board of a district fails to reelect or reemploy the superintendent of schools of the district, or deputy, associate, or assistant superin-

tendent of schools, or employee in the senior management of the classified service as such and the written notice herein provided for has not been given, he or she shall be deemed reelected for a term of the same length as the one completed, and under the same terms and conditions and with the same compensation.

The notice requirements of Section 44951 shall not apply to persons to whom this section applies.

SEC. 27. Section 56362.5 of the Education Code is amended to read:

56362.5. By July 1982, the Commission on Teacher Credentialing shall adopt rules and regulations for a resource specialist certificate of competence. The certificate shall provide all the following:

(a) Definition of the competencies required of a resource specialist.

(b) Provision for a system of direct application to the commission for a certificate of competence for each teacher who holds a valid special education credential, other than an emergency credential, and who satisfies any one of the following criteria:

(1) Provided instruction and services as specified in subdivision (a) of Section 80070.1 of Title 5 of the California Administrative Code as it read immediately prior to July 28, 1980, for two years prior to September 1, 1981.

(2) Provided instruction and services as specified in subdivision (b) of Section 80070.2 of Title 5 of the California Administrative Code as it read immediately prior to July 28, 1980, for two years prior to June 30, 1983.

(c) Provision for the issuance, for up to three years, of a preliminary nonrenewable certificate of competence for the resource specialist, and adoption of the standards for the issuance and continuing validity of such a certificate.

(d) Establishment of a system for verification of competencies through both of the following:

(1) Commission on Teacher Credentialing approved institution of higher education resource specialist certificate program.

(2) Commission on Teacher Credentialing approved competency assessment panels for resource specialist certification.

(e) Cooperation with the department in implementing these provisions.

Notwithstanding any other provision of law, any person who held a preliminary resource specialist certificate of competence on January 28, 1982, and who met the requirements for a clear resource specialist certificate of competence as specified in paragraph (1) of subdivision (b) may be issued a clear resource specialist certificate of competence upon submission of a completed application, but without any additional fee.

SEC. 28. Section 87782 of the Education Code is amended to read:

87782. Any certificated employee of a community college district who has been an employee of that district for a period of one school year or more and who accepts a position requiring certification

qualifications in another school district or community college district at any time during the second or any succeeding school year of his or her employment with the first district, or who, within the school year succeeding the school year in which the employment is terminated, signifies acceptance of his or her election or employment in a position requiring certification qualifications in another district, shall have transferred with him or her to the second district the total amount of leave of absence for illness or injury to which he or she is entitled under Section 87781. The board of governors shall adopt rules and regulations prescribing the manner in which the first district shall certify to the second district the total amount of leave of absence for illness or injury to be transferred. No governing board shall adopt any policy or rule, written or unwritten, which requires any certificated employee transferring to its district to waive any part or all of the leave of absence which he or she may be entitled to have transferred in accordance with this section.

SEC. 29. Section 3404 of the Fish and Game Code is amended to read:

3404. (a) The commission may adopt regulations necessary for the administration of this article.

(b) After notice and a hearing, the commission may revoke the license for any violation of any provision of this code or any regulations adopted pursuant thereto or for any violation of the terms of the license.

SEC. 30. Section 8183 is added to the Fish and Game Code, to read:

8183. No anchovies may be taken for any purpose in Humboldt Bay, except under the following conditions:

(a) Anchovies may be taken for live bait only between September 1 and December 1. Anchovies may only be taken by the operator of a vessel for use in his or her own fishing operation, except that the operator may make incidental sales of anchovies so taken to local sport fishermen for their use as bait.

(b) An observer who is an employee of the department shall inspect any bait operation and may halt that operation if the operation cannot be conducted without adversely affecting the game species of the bay. Notification of all bait operations shall be dispatched so as to be received by the department at least 12 hours prior to the commencement of the operation.

(c) Anchovies may be taken in Humboldt Bay only north of a line extending through channel markers 9 and 10 in Humboldt Bay.

(d) The seasonal take of anchovy shall not exceed five tons.

(e) Bait nets, as defined in Section 8780, shall be the only nets used to take anchovy.

(f) Any game fish caught incidentally in nets shall be released by use of a hand scoop net or by dipping the cork line.

Each January 1, the department shall submit a report to the Legislature describing the status of the Humboldt Bay anchovy fishery. The report shall include an assessment of the environmental impact of the bait fishery on the marine resources of the bay, including any

possible adverse effects thereon.

The commission shall promulgate any other regulation it deems necessary to protect the Humboldt Bay anchovy resource.

This section shall become operative on January 1, 1988.

SEC. 31. Section 222 of the Food and Agricultural Code is amended to read:

222. The director shall keep a separate record of the classes and sources of income which are credited to, and disbursed from, the Department of Food and Agriculture Fund.

SEC. 32. Section 405 of the Food and Agricultural Code is amended to read:

405. (a) With the prior approval of the Department of Fish and Game and the State Department of Health Services, the department may reproduce or distribute biological control organisms that are not detrimental to the public health and safety which are known to be useful in reducing or preventing plant or animal damage due to pests or diseases.

(b) The department shall not engage in the production of beneficial organisms when such organisms are available for purchase from commercial sources.

SEC. 33. Section 436 of the Food and Agricultural Code is amended to read:

436. Any money which is received by the department pursuant to Section 435 shall be paid into the State Treasury and be credited to the Department of Food and Agriculture Fund. Any money in the Department of Food and Agriculture Fund which was derived pursuant to that section may be expended for the administration and enforcement of any or all of the following which relate to nursery stock, notwithstanding any other provision of law which limits the expenditure of the money to some specific purpose or to the administration or enforcement of some specific section, article, chapter, or law:

(a) Section 435.

(b) Article 7 (commencing with Section 5821) of Chapter 8 of Part 1 of Division 4.

(c) Chapter 1 (commencing with Section 6701) of Part 3 of Division 4.

(d) Any other provision of Division 4 (commencing with Section 5001), which relates to nursery stock, except Article 5 (commencing with Section 6001) of Chapter 9 or Chapter 10 (commencing with Section 6101) of Part 1, Part 5 (commencing with Section 8401), or Part 6 (commencing with Section 8801) of Division 4.

(e) Chapter 5 (commencing with Section 53301) of Division 18.

SEC. 34. Section 505 of the Food and Agricultural Code is amended to read:

505. The Ethanol Fuel Revolving Account is hereby created in the Department of Food and Agriculture Fund and all funds in the account are continuously appropriated to the department to carry out the purposes of this article.

SEC. 35. The heading of Article 6 (commencing with Section 520) of Chapter 3 of Part 1 of Division 1 of the Food and Agricultural Code, as added by Chapter 1536 of the Statutes of 1982, is amended and renumbered to read:

Article 7. Poultry and Livestock Diagnostic Laboratories

SEC. 36. Section 4253 of the Food and Agricultural Code is amended to read:

4253. Any construction work which is done pursuant to an agreement shall be performed in accordance with, and subject to, Chapter 1 (commencing with Section 10100) of Part 2 of Division 2 of the Public Contract Code.

SEC. 37. Section 5824 of the Food and Agricultural Code is amended to read:

5824. The cost of any service which is rendered pursuant to this article shall be paid from the Department of Food and Agriculture Fund out of any money which is derived pursuant to this article and shall not be a charge against the General Fund.

SEC. 38. Section 5827 of the Food and Agricultural Code is amended to read:

5827. Any money which is received by the department pursuant to this article shall be paid into the State Treasury and be credited to the Department of Food and Agriculture Fund. Any money in the Department of Food and Agriculture Fund which was derived pursuant to this article may be expended for the administration and enforcement of any or all of the following which relate to nursery stock, notwithstanding any other provision of law which limits the expenditure of this money to some specific purpose or to the administration or enforcement of some specific section, article, chapter, or law:

(a) Section 435.

(b) Article 7 (commencing with Section 5821) of Chapter 8 of Part 1.

(c) Chapter 1 (commencing with Section 6701) of Part 3.

(d) Any other provision of this division, which relates to nursery stock, except Article 5 (commencing with Section 6001) of Chapter 9 or Chapter 10 (commencing with Section 6101) of Part 1, Part 5 (commencing with Section 8401), or Part 6 (commencing with Section 8801).

(e) Chapter 5 (commencing with Section 53301) of Division 18.

SEC. 39. Section 8183 of the Food and Agricultural Code, as added by Section 2 of Chapter 552 of the Statutes of 1982, is repealed.

SEC. 40. Section 9572 of the Food and Agricultural Code is amended to read:

9572. Notwithstanding Article 5 (commencing with Section 9641), the Governor may proclaim quarantine regulations which are applicable to any state, territory, or foreign country relative to any animals or disease in that state, territory, or foreign country, or which

prescribe the regulations under which animals may be imported into this state from it.

SEC. 41. Section 38882 of the Food and Agricultural Code is amended to read:

38882. Lactose reduced milk, lactose reduced lowfat milk, and lactose reduced nonfat milk shall meet the bacterial standards for market milk after pasteurization and shall contain not more than 10 coliform colonies per milliliter. They shall be maintained at a temperature not to exceed 45 degrees Fahrenheit until delivered to the consumer, and shall meet all other compositional requirements for market milk, lowfat milk, and nonfat milk except that the minimum solids-not-fat content for lactose reduced lowfat milk shall be 8.7 percent. They shall be labeled as lactose reduced milk, lactose reduced lowfat milk, or lactose reduced nonfat milk.

SEC. 42. Section 68081 of the Food and Agricultural Code is amended to read:

68081. The powers and duties of the commission, subject to Sections 68052 and 68053, include, but are not limited to, all of the following:

(a) To adopt and, from time to time, alter, rescind, modify, and amend all proper and necessary bylaws, rules, regulations, and orders for carrying out the provisions of this chapter, including appeals from any bylaw, rule, regulation, or order of the commission in a manner established by the commission.

(b) To administer and enforce this chapter, and to do and perform all acts and exercise all powers incidental to, or in connection with or deemed reasonably necessary for, the proper or advisable effectuation of the purposes of this chapter.

(c) To appoint its own officers, including a chairman, one or more vice chairmen, and any other officers as it deems necessary. The officers have the powers and duties delegated to them by the commission.

(d) To employ a person to serve, at the pleasure of the commission, as president and chief executive officer of the commission and other personnel, including legal counsel, as necessary to carry out the provisions of this chapter. The commission may retain a management firm or any staff from any board, commission, or committee of the state to perform the functions prescribed by this subdivision under the control of the commission. If the person engages in any conduct which the director determines is not in the public interest or which is in violation of this chapter, the director shall notify the commission of the conduct and request that corrective, and if appropriate, disciplinary action be taken by the commission. If the commission fails or refuses to correct the situation or to take disciplinary action satisfactory to the director, the director may suspend or discharge the person.

(e) To fix the compensation for all employees of the commission.

(f) To appoint committees composed of both members and nonmembers of the commission to advise the commission in carrying out

the provisions of this chapter.

(g) To establish offices and incur expense, and to enter into any and all contracts and agreements, and to create any liabilities and borrow any funds in advance of receipt of assessments that may be necessary, in the opinion of the commission, for the proper administration and enforcement of this chapter and the performance of its duties.

(h) To keep accurate books, records, and accounts of all of its dealings, which books, records, and accounts shall be subject to an annual audit by an auditing firm selected by the commission with the concurrence of the director. The audit shall be made a part of an annual report to all producers and handlers of kiwifruit, copies of which shall also be submitted to the Legislature and the department. In addition, the director may, as he or she determines necessary, conduct, or cause to be conducted, a fiscal and compliance audit of the commission.

(i) To promote the sale of kiwifruit by advertising and other promotional means, including cost-sharing advertising, for the purpose of maintaining and expanding present markets and creating new and larger intrastate, interstate, and foreign markets for kiwifruit and to educate and instruct the public with respect to kiwifruit and the uses and time to use the several varieties and the healthful properties and nutritional value of kiwifruit.

(j) To educate and instruct the wholesale and retail trade with respect to proper methods of handling and selling kiwifruit; to arrange for the performance of dealer service work providing display and other promotional materials; to make market surveys and analyses; to present facts to, and negotiate with, state, federal, and foreign agencies on matters which affect the marketing of kiwifruit.

(k) To make, in the name of the commission, contracts to render service in formulating and conducting plans and programs, and any other contracts or agreements that the commission may deem necessary for the promotion of the sale of kiwifruit.

(*l*) To conduct and contract with others to conduct scientific research, including the study, analysis, dissemination, and accumulation of information obtained from such research or elsewhere respecting cultural and production practices, marketing, and distribution of kiwifruit. In connection with the research, the commission may accept contributions of, or to match, private, state, or federal funds that may be available for such purposes, and to employ or make contributions of funds to other persons or state or federal agencies conducting the research.

(m) To publish and distribute, without charge, a bulletin or other communication for dissemination of information relating to the kiwifruit industry to producers and handlers.

(n) To establish an assessment rate to defray operating costs of the commission.

(o) To establish an annual budget according to acceptable accounting practices. The budget shall be concurred in by the director

prior to disbursement of funds, except for disbursements made pursuant to subdivision (e).

(p) To submit a statement of contemplated annual activities authorized under this chapter, including advertising, promotion, marketing research, and production research, which shall be concurred in by the director.

(q) To administer, if requested by an advisory board, a board of directors, or any other authorized agent of a governmental program, any governmental program establishing grades and standards for the kiwifruit industry.

(r) The commission may investigate and prosecute civil violations of this chapter and file complaints with appropriate law enforcement agencies or officers for suspected criminal violations of this chapter.

SEC. 43. Section 70500 of the Food and Agricultural Code is amended and renumbered to read:

80001. This division shall be known and may be cited as the California Desert Native Plants Act.

SEC. 44. Section 70501 of the Food and Agricultural Code is amended and renumbered to read:

80002. It is the intent of the Legislature, in this division, to protect California desert native plants from unlawful harvesting on both public and privately owned lands. It is also the intent of the Legislature to provide the people of this state with the information necessary to legally harvest native plants so as to ultimately transplant those plants with the greatest possible chance of survival. It is the further intent of the Legislature to encourage public participation in implementing the safeguards established by this division and in evaluating the effectiveness and desirability of the safeguards.

SEC. 45. Section 70502 of the Food and Agricultural Code is amended and renumbered to read:

80003. This division is applicable only within the boundaries of the Counties of Imperial, Inyo, Kern, Los Angeles, Mono, Riverside, San Bernardino, and San Diego. The director may thereafter revise the boundaries of the areas of the state which shall be subject to this division after a public hearing required to be held pursuant to Section 80074 and upon receipt of a resolution approving the change of boundaries by the board of supervisors of the affected county.

SEC. 46. Section 70503 of the Food and Agricultural Code is amended and renumbered to read:

80004. Persons engaged in the production, storage, sale, delivery, or transportation of nursery stock pursuant to Part 3 (commencing with Section 6701) of Division 4 are not required to obtain a permit pursuant to this division, unless those activities involve the harvesting of native plants growing in a wild, uncultivated state.

SEC. 47. Section 70504 of the Food and Agricultural Code is amended and renumbered to read:

80005. Persons engaged in the production, storage, sale, delivery, or transportation of nursery stock pursuant to Part 3 (commencing with Section 6701) of Division 4 shall not receive any harvested

native plants, unless each plant has securely and properly attached thereto a valid native plant tag and seal.

SEC. 48. Section 70505 of the Food and Agricultural Code is amended and renumbered to read:

80006. Persons engaged in the sale of nursery stock pursuant to Part 3 (commencing with Section 6701) of Division 4 shall maintain records of their receipts or purchases for sale or resale of any native plant. The records shall include the name and address of the person selling or delivering the plants and shall be subject to inspection by the commissioner or the director.

SEC. 49. Section 70600 of the Food and Agricultural Code is amended and renumbered to read:

80051. Unless the context otherwise requires, the definitions of this chapter govern the construction of this division.

SEC. 50. Section 70601 of the Food and Agricultural Code is amended and renumbered to read:

80052. "Landowner" includes the public agency administering any public lands within the areas subject to this division.

SEC. 51. Section 70602 of the Food and Agricultural Code is amended and renumbered to read:

80053. "Harvest" means to remove or cut and remove from the place where grown.

SEC. 52. Section 70603 of the Food and Agricultural Code is amended and renumbered to read:

80054. "Harvester" means a person who harvests a native plant.

SEC. 53. Section 70604 of the Food and Agricultural Code is amended and renumbered to read:

80055. "Director" means the Director of Food and Agriculture.

SEC. 54. Section 70605 of the Food and Agricultural Code is amended and renumbered to read:

80056. "Department" means the Department of Food and Agriculture.

SEC. 55. Section 70606 of the Food and Agricultural Code is amended and renumbered to read:

80057. "Tag" means a paper or cloth label that can be attached to a native plant or a commercial load by means of a string and a seal, which tag specifies, among other things, a serial number, type of plant, fee required, location of origin, date of removal, witnessing authority, applicant, destination, and proposed use, including, but not limited to, commercial processing or landscaping.

SEC. 56. Section 70607 of the Food and Agricultural Code is amended and renumbered to read:

80058. "Seal" means a metal, tamperproof clamp used to permanently affix the tag to a native plant.

SEC. 57. Section 70608 of the Food and Agricultural Code is amended and renumbered to read:

80059. "Resale" means native plants harvested, possessed, or transported with the intent to sell the plants for the ultimate purpose of landscaping or decoration, or both.

SEC. 58. Section 70609 of the Food and Agricultural Code is amended and renumbered to read:

80060. "Resale load" means native plants harvested, possessed, or transported for resale purposes.

SEC. 59. Section 70610 of the Food and Agricultural Code is amended and renumbered to read:

80061. "Native plant" means any tree, shrub, bulb, or plant or part thereof, except its fruit, named in this division as being subject to this division or added by the director pursuant to Section 80074, which is growing wild. "Native plant" includes any part of any tree of the following species, whether living or dead:

(a) Olneya tesota (desert ironwood).

(b) All species of the genus Prosopis (mesquites).

(c) All species of the genus Cercidium (palos verdes).

SEC. 60. Section 70611 of the Food and Agricultural Code is amended and renumbered to read:

80062. "Commercial harvesting" means harvesting native plants for an ultimate use other than as landscaping or decorative material and with the plants' tops or branches, or both, boughs, or limbs removed.

SEC. 61. Section 70612 of the Food and Agricultural Code is amended and renumbered to read:

80063. "Permit" means an application form to harvest native plants that has been filled out by the applicant and approved and officially endorsed by the commissioner or sheriff of the county wherein the native plants covered by the application are located.

SEC. 62. Section 70613 of the Food and Agricultural Code is amended and renumbered to read:

80064. "Wood receipt" means a receipt that is to accompany one or more cords of wood harvested under this division. The wood receipt shall contain information which specifies, among other things, a serial number, species of wood, fee required, location of origin, date of removal, witnessing authority, applicant, destination, and proposed use, including, but not limited to, commercial processing landscaping.

SEC. 63. Section 70630 of the Food and Agricultural Code is amended and renumbered to read:

80071. The botanical names of the plants referred to in this chapter shall, in all cases, govern in the interpretation of this division.

SEC. 64. Section 70631 of the Food and Agricultural Code is amended and renumbered to read:

80072. The following native plants, or any parts thereof, may not be harvested except for scientific or educational purposes under a permit issued by the commissioner of the county in which the native plants are growing:

(a) All species of Burseraceae family (elephant tree).

(b) Carnegiea gigantea (sahuaro cactus).

(c) Ferocactus acanthodes (barrel cactus).

(d) Castela emoryi (crucifixion thorn).

(e) Dudleya saxosa (panamint dudleya).

(f) Pinus longaeva (bristlecone pine).

(g) Washingtonia filifera (fan palm).

SEC. 65. Section 70632 of the Food and Agricultural Code is amended and renumbered to read:

80073. The following native plants, or any part thereof, may not be harvested except under a permit issued by the commissioner or the sheriff of the county in which the native plants are growing:

(a) All species of the family Agavaceae (century plants, nolinas, yuccas).

(b) All species of the family Cactaceae (cacti), except for the plants listed in subdivisions (b) and (c) of Section 80072 which may be harvested under a permit obtained pursuant to that section.

(c) All species of the family Fouquieriaceae (ocotillo, candlewood).

(d) All species of the genus Prosopis (mesquites).

(e) All species of the genus Cercidium (palos verdes).

(f) Acacia greggii (catclaw).

(g) Atriplex hymenelytra (desert-holly).

(h) Dalea spinosa (smoke tree).

(i) Olneya tesota (desert ironwood), including both dead and live desert ironwood.

The fruit from the native plants listed in this section may be harvested without a permit.

The commissioner may establish limits on the quantity of desert ironwood which may be taken under any permit and on the number of permits for the taking of desert ironwood which may be issued. The commissioner may adopt such rules and regulations as may be necessary for the protection of the ironwood resource.

Notwithstanding the foregoing provisions of this section, the director may add desert ironwood to, or remove it from, the jurisdiction of this division pursuant to Section 80074.

SEC. 66. Section 70633 of the Food and Agricultural Code is amended and renumbered to read:

80074. After consultation with the Secretary of the Resources Agency and after a public hearing, the director may add to, or remove from, the jurisdiction of this division a native plant. A public hearing on native plants shall be held at least once every 24 months in a county subject to this division and in a location that is convenient to a large segment of the public.

In deciding whether to call a public hearing, the director may consider a request from a public or private group, including concerned citizens, and the director shall convene such a hearing when requested by resolution of any county board of supervisors. The director may consider at such a hearing which plants are in need of protection and whether the boundaries of the area to be protected should be changed pursuant to Section 80003.

SEC. 67. Section 70634 of the Food and Agricultural Code is amended and renumbered to read:

80075. Any native plant that is declared to be a rare, endangered, or threatened species by federal or state law or regulations, including, but not limited to, the Fish and Game Code, is exempt from this division.

SEC. 68. Section 70650 of the Food and Agricultural Code is amended and renumbered to read:

80101. (a) The commissioner or the sheriff of a county subject to this division shall issue, in accordance with this division, permits, wood receipts, tags, and seals for a fee as prescribed by the board of supervisors of the county where the native plants are located.

(b) The fee shall not be less than one dollar ($1) per plant for all native plants, except as follows:

(1) For Yucca brevifolia (Joshua tree), not less than two dollars ($2) per plant.

(2) For trees, live or dead, mesquite, palo verde, or ironwood species of trees, cut or removed for wood, as provided in Section 80103, not less than one dollar ($1) per cord.

(3) For Yucca Schidigera used for commercial harvesting, not less than three dollars ($3) per ton.

(c) The fees shall cover the cost of issuing a permit and may cover other related costs, including, but not limited to, administration, enforcement, and research costs. The permit shall specify, among other things, the species of native plants which may be harvested, the area from which plants may be harvested, and the manner in which plants may be harvested.

(d) No person, except as provided in this division, shall harvest, transport, offer for sale, or have in his or her possession any native plant, unless, at the time of harvesting, he or she has a valid permit or valid wood receipt therefor on his or her person, attaches the required tags and seals to the native plants, and exhibits the permit, wood receipt, and tags and seals upon request for inspection by any duly authorized agent of the commissioner or any peace officer as provided in this division. No wood receipt or tag and seal is valid unless it is issued with a valid permit and the permit bears the tag number or wood receipt number on its face.

(e) Native plants which have been tagged and sealed, as provided in this section, may be transported under a California nursery stock certificate or a shipping permit.

SEC. 69. Section 70651 of the Food and Agricultural Code is amended and renumbered to read:

80102. (a) Each permit authorizing the harvesting, transporting, or possessing of native plants, except trees cut or removed for wood as provided in Section 80103, shall be accompanied by a sufficient number of tags and seals. The permittee or his or her agent shall attach the tags and seals to the native plants at the time of harvesting and before transporting in such manner as prescribed by the commissioner of the county in which the native plants are located. After any native plant has been legally harvested and tagged or sealed as provided in this division, it is unlawful to remove the tag or seal until

the plant has been transplanted into its ultimate site for landscaping or decoration. The tag or seal may be removed from the plant only by the commissioner or the ultimate owner of the plant, who shall retain the tag or seal as proof of ownership.

(b) No permit or tag or seal is transferable by the permittee or his or her agent, nor shall it be used by anyone except that person to whom the permit or tag or seal was issued, and no refunds shall be made for the purchase thereof.

(c) Every permittee is responsible for the acts of any other person or persons acting under any authority, express or implied, of the permittee.

SEC. 70. Section 70652 of the Food and Agricultural Code is amended and renumbered to read:

80103. (a) Each permit authorizing the harvesting, transporting, or possessing of live or dead mesquite, palo verde, or ironwood species of trees which are harvested for wood, shall be accompanied by a wood receipt. Any required wood receipt shall be in the possession of the person harvesting, transporting, or possessing the wood.

(b) No permit or wood receipt is transferable by the permittee or his or her agent, nor shall it be used by anyone other than the person to whom the permit or wood receipt was issued or his or her agent or employee, except that the wood receipt shall be transferred by the permittee or his or her agent or employee to the purchaser of the wood covered by the receipt as proof of ownership.

SEC. 71. Section 70653 of the Food and Agricultural Code is amended and renumbered to read:

80104. Any person in possession of a valid permit for the removal of dead plants or wood issued by the United States Forest Service, the National Park Service, or the Bureau of Land Management, or any person in compliance with appropriate federal regulations and policies allowing the removal of dead plants or wood from lands administered by the Bureau of Land Management, is not required to obtain a permit pursuant to this division for the removal or possession of those dead plants or wood.

SEC. 72. Section 70654 of the Food and Agricultural Code is amended and renumbered to read:

80105. The director may adopt necessary rules and regulations not in conflict with this division for the enforcement of its provisions.

SEC. 73. Section 70655 of the Food and Agricultural Code is amended and renumbered to read:

80106. The director or any of his or her duly authorized agents, any commissioner, or any peace officer is authorized and directed to enter in or upon any premises or other place, train, vehicle, or other means of transportation within or entering the state, which is suspected of containing or having present therein or thereon native plants in violation of this division, in order to examine permits and wood receipts and observe tags and seals.

SEC. 74. Section 70656 of the Food and Agricultural Code is amended and renumbered to read:

80107. When any power or authority is given by any provision of this division to any person, it may be exercised by any deputy, inspector, or agent duly authorized by that person. Any person in whom the enforcement of any provision of this division is vested has the power of a peace officer as to that enforcement, which shall include state or federal agencies with which cooperative agreements have been made by the department to enforce any provision of this division.

SEC. 75. Section 70657 of the Food and Agricultural Code is amended and renumbered to read:

80108. Any county may adopt ordinances not in conflict with this division for the preservation of native plants specified in Sections 80072 and 80073.

SEC. 76. Section 70680 of the Food and Agricultural Code is amended and renumbered to read:

80111. (a) Except as provided in this division, it is unlawful for any person to destroy, dig up, mutilate, or harvest any living native plant, or the living or dead parts of any native plant, except its fruit, without obtaining written permission from the landowner and a permit and any required wood receipts or tags and seals.

(b) It is unlawful for any person to falsify any paper or document issued to give permission for any person to harvest a native plant specified in Section 80073, or to fail to comply with all of the conditions or stipulations of the permit.

SEC. 77. Section 70681 of the Food and Agricultural Code is amended and renumbered to read:

80112. The commissioner of the county wherein the plants are located may issue a permit to a scientific or educational institution to harvest a definite number of plants listed in Section 80072 for scientific or educational purposes, if permission is obtained from the landowner on whose property the plants are located.

SEC. 78. Section 70682 of the Food and Agricultural Code is amended and renumbered to read:

80113. Permits issued for the removal of native plants shall be valid only for a stated period of time to allow the permittee to remove the specific amount of plants or wood stated in the permit, or the period of time stated by the landowner as part of the landowner's permission, whichever is shorter, but in no case for more than one year.

It is the intent of the Legislature that each permit or wood receipt shall be valid for the least period of time possible in which to accomplish the authorized purpose.

SEC. 79. Section 70683.1 of the Food and Agricultural Code is amended and renumbered to read:

80114. No person shall knowingly make any false statement on any application for permits, wood receipts, or tags and seals. The application shall contain all of the following information:

(a) The name, address, and telephone number of the applicant.

(b) The amount and species of native plants to be transported.

(c) The name of the county from which the native plants are to

be removed.

(d) A description sufficient to identify the real property from which the native plants are to be removed, and such other information or documents as the issuing agency may require to identify the general boundaries of the property.

(e) The name, address, and telephone number of each landowner from whose property the native plants are to be removed.

(f) The applicant's timber operator permit number, if the harvesting of the native plants is subject to the Z'berg-Nejedly Forest Practice Act of 1973 (Chapter 8 (commencing with Section 4511) of Part 2 of Division 4 of the Public Resources Code).

(g) The proposed date or dates of the transportation.

(h) The location of the office of the peace officer who will validate the tag or tags.

(i) The destination of the native plants.

(j) The ultimate use of the native plants, such as for use as landscaping or decorative material, or for use as a raw material in the manufacture or processing of a product.

(k) Make, model, and license number of the transportation vehicle.

(*l*) Such other information as may be required by the agency issuing the permit.

Every applicant shall, at the time of making the application, show his or her proof of ownership of the native plants. The application forms, tags, seals, and wood receipts shall be produced by the department, and distributed to the commissioner of each county subject to Section 80003.

SEC. 80. Section 70684 of the Food and Agricultural Code is amended and renumbered to read:

80115. Any permit issued pursuant to Section 80111, 80112, 80113, or 80114 shall expire when the tags and seals issued therewith have been attached to the plants covered by the permit and the plants are no longer in the possession of the permittee.

SEC. 81. Section 70685 of the Food and Agricultural Code is amended and renumbered to read:

80116. The director or commissioner may establish specific cutting, harvesting, and plant care criteria which shall include the most favorable and practical horticultural methods and seasons to assure the survivability of the plants and to assure compliance with existing local, state, and federal regulations.

SEC. 82. Section 70686 of the Food and Agricultural Code is amended and renumbered to read:

80117. This division does not prevent any of the following:

(a) The clearing of land for agricultural purposes, fire control measures, or required mining assessment work pursuant to federal or state mining laws.

(b) The holding of a recreational event sanctioned by the Bureau of Land Management.

(c) The clearing or removal of native plants from a canal, lateral

ditch, survey line, building site, or road or other right-of-way by the landowner or his or her agent, if the native plants are not to be transported from the land or offered for sale and if the commissioner is given at least 10 days' notice of any such activity.

This division does not apply to a public agency or to a publicly or privately owned public utility when acting in the performance of its obligation to provide service to the public. This section does not prevent the landowner or his or her agent from complying with any other federal, state, or local laws or regulations.

The commissioner may exempt the use of dead and down wood for camping or branding fires from the requirements of this division.

SEC. 83. Section 70687 of the Food and Agricultural Code is amended and renumbered to read:

80118. Except as provided in Section 80072, no provision of this division prohibits any person from harvesting or possessing, for purposes other than resale, five or fewer native plants or from cutting, removing, harvesting, transporting, or possessing, for purposes other than resale, any dead mesquite or palo verde in amounts less than one cord, from land owned by the person, or from land leased by the person when the landowner's written permission to harvest has been obtained and is exhibited, or from land not owned by the person when the person exhibits written permission to harvest from the landowner. The written permission shall not be valid unless it includes a description of the land satisfying the requirements of Section 80114 and the address and telephone number of the landowner.

Persons harvesting five or fewer native plants, for purposes other than resale, and persons cutting, removing, harvesting, transporting, or possessing any dead mesquite or palo verde, for purposes other than resale, in amounts less than one cord shall not be required to obtain and exhibit any permits, tags and seals, or wood receipts.

Persons possessing six or more harvested native plants shall obtain and exhibit a tag and seal for the sixth native plant and for each additional native plant in his or her possession.

SEC. 84. Section 70688 of the Food and Agricultural Code is amended and renumbered to read:

80119. Each county may enact ordinances not inconsistent with this division to control commercial harvesting in that county.

SEC. 85. Section 70689 of the Food and Agricultural Code is amended and renumbered to read:

80120. The issuing agency shall collect fees for the issuance of permits, tags and seals and wood receipts under this division, except from a landowner moving native plants from one of his or her properties to another, if the plants are not to be offered for sale.

SEC. 86. Section 70690 of the Food and Agricultural Code is amended and renumbered to read:

80121. Any harvested native plant listed in Section 80072 or 80073, or added by the director pursuant to Section 80074, which is not exempt from the permit requirements of this division pursuant to Section 80118, found without a tag and seal securely and properly

affixed thereto or for which the owner does not exhibit a tag and seal, or any mesquite or palo verde wood in the amount of one cord or more found in the possession of a person without a wood receipt, may be confiscated as evidence of a violation.

SEC. 87. Section 70700 of the Food and Agricultural Code is amended and renumbered to read:

80151. No person or common carrier shall transport, or receive or possess for transportation, any native plant or any wood, or part thereof, except its fruit or manufactured wood articles, that requires a permit, wood receipt, or tag and seal, unless the person offering the plant for shipment furnishes to the person or common carrier a valid permit therefor, and any required wood receipts, and has securely and properly attached thereto any required tag and seal. If for transportation outside of the state, the plant shall also bear a certificate of inspection by the department.

SEC. 88. Section 70701 of the Food and Agricultural Code is amended and renumbered to read:

80152. All native plant species or varieties subject to this division, when not grown in California and imported into this state, shall be declared at a California agricultural inspection station or an office of the department, and proceed to destination under quarantine orders issued by agents of the department employed at the station or office. Any person transporting any plant species or varieties subject to this division from outside the state into California shall have in his or her possession a valid bill of sale for those native plants, and such permits and tags as may be required by the state of origin, and shall produce the bill of sale as well as any permits and tags for inspection by any duly authorized person as described in this division or any peace officer of the state as a requirement for entry into the state of the native plants.

SEC. 89. Section 70720 of the Food and Agricultural Code is amended and renumbered to read:

80171. A peace officer may, in the enforcement of this division, make arrests without warrant for a violation of this division which he or she may witness, and may confiscate native plants, or parts thereof when unlawfully harvested, transported, possessed, sold, or otherwise obtained in violation of this division.

SEC. 90. Section 70721 of the Food and Agricultural Code is amended and renumbered to read:

80172. A person violating any provision of this division is guilty of a misdemeanor punishable by a fine of not less than three hundred dollars ($300), nor more than one thousand dollars ($1,000), for each violation or by imprisonment in the county jail not to exceed one year, or both, and each violation constitutes a separate offense.

SEC. 91. Section 70722 of the Food and Agricultural Code is amended and renumbered to read:

80173. Upon conviction of a violation of this division, all permits issued to the person convicted shall be revoked and the permittee shall be required to surrender any unused tags and seals or wood

receipts to the issuing agency and no new or additional permits shall be issued to the permittee for a period of one year from the date of conviction.

SEC. 92. Section 70723 of the Food and Agricultural Code is amended and renumbered to read:

80174. A second conviction may be considered as a misdemeanor or a felony. If a misdemeanor, it shall be punishable by a fine of not less than three hundred dollars ($300), nor more than one thousand dollars ($1,000), for each violation or by imprisonment in the county jail not to exceed one year, or both, and each violation constitutes a separate offense. If a felony, it shall be punishable by a fine of not less than one thousand dollars ($1,000), nor more than five thousand dollars ($5,000), for each violation or by imprisonment in the state prison not to exceed five years, or both, and each violation constitutes a separate offense.

Upon the second conviction, all permits issued to the person convicted shall be revoked and the permittee shall be required to surrender any unused tags and seals or wood receipts to the issuing agency and no new or additional permits shall be issued to the permittee at any time in the future from the date of conviction.

SEC. 93. Section 70724 of the Food and Agricultural Code is amended and renumbered to read:

80175. The issuing agency may revoke any permit, tags, or seals issued for the purpose of harvesting for ultimate replanting if the permittee willfully fails to comply with all of the conditions or stipulations of the permit.

SEC. 94. Section 70740 of the Food and Agricultural Code is amended and renumbered to read:

80201. All fees or moneys collected under this division shall be paid into the general fund of the county in which the permits, tags and seals, and wood receipts were issued.

SEC. 95. Section 3517.7 of the Government Code, as added by Chapter 323 of the Statutes of 1983, is amended and renumbered to read:

3517.8. The Department of Personnel Administration shall adopt emergency regulations by August 20, 1983, to implement employee benefits for those state officers and employees excluded from, or not otherwise subject to, collective bargaining.

These emergency regulations shall not be subject to the review and approval of the Office of Administrative Law pursuant to the Administrative Procedure Act provided for in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2. These emergency regulations shall become effective immediately upon filing with the Secretary of State.

SEC. 96. Section 7506.5 of the Government Code, as added by Chapter 1270 of the Statutes of 1982, is repealed. The repeal made by this section shall not affect the existence or validity of Section 7506.5 of the Government Code, as added by Chapter 1317 of the Statutes of 1982.

SEC. 97. Section 8169.2 of the Government Code is amended to read:

8169.2. The director shall promulgate regulations for relocation payments and assistance consistent with the requirements of Sections 51063 and 51310 of the Health and Safety Code.

SEC. 98. Section 11014 of the Government Code is amended to read:

11014. In exercising the powers and duties granted to and imposed upon it, any state agency may construct and maintain communication lines as may be necessary.

In providing communications and necessary powerlines in connection therewith the agency, with the approval of the Department of General Services may enter into contracts with owners of similar facilities for use of their facilities, such as pole lines, and provisions may be made for indemnification and holding harmless of the owners of the facilities so used by reason of this use. Insurance may be purchased by the Department of General Services, upon request of the agency, to protect the state against loss or expense arising out of any such contract.

Any claim for damages arising against the state under this section shall be presented to the State Board of Control in accordance with Sections 905.2 and 945.4 and if not covered by insurance as herein provided shall be payable only out of funds appropriated by the Legislature for this purpose. If the state elects to insure its liability under this section the State Board of Control may automatically deny any such claim.

SEC. 99. Section 11019 of the Government Code is amended to read:

11019. (a) Any department or authority specified in subdivision (b) may, upon determining that an advance payment is essential for the effective implementation of a program within the provisions of this section, and to the extent funds are available, and not more frequently than once each fiscal year, advance to a community-based private nonprofit agency with which it has contracted, pursuant to federal law and related state law, for the delivery of services, not to exceed 25 percent of the annual allocation to be made pursuant to the contract and those laws, during the fiscal year to the private nonprofit agency. Advances in excess of 25 percent may be made on contracts financed by a federal program when the advances are not prohibited by federal guidelines. Advance payments may be provided for services to be performed under any contract with a total annual contract amount of two hundred thousand dollars ($200,000) or less, or which the Department of Finance determines has been entered into with any community-based private nonprofit agency with modest reserves and potential cash flow problems. No advance payment shall be granted if the total annual contract exceeds two hundred thousand dollars ($200,000), without the prior approval of the Department of Finance.

The specific departments and authority mentioned in subdivision

(b) shall develop a plan to establish control procedures for advance payments. Each plan shall include a procedure whereby the department or authority determines whether or not an advance payment is essential for the effective implementation of a particular program being funded. Each plan is required to be approved by the Department of Finance.

(b) Subdivision (a) shall apply to the Emergency Medical Service Authority, the Department of Aging and Long-Term Care, the State Department of Alcohol and Drug Programs, the Department of Corrections, the Employment Development Department, the State Department of Health Services, the State Department of Mental Health, the Department of Rehabilitation, the State Department of Social Services, the Department of the Youth Authority, and the Department of Education.

Subdivision (a) shall also apply to the Health and Welfare Agency which may make advance payments, pursuant to the requirements of that subdivision, to multipurpose senior services projects as established in Sections 9400 to 9413, inclusive, of the Welfare and Institutions Code.

(c) A county may, upon determining that an advance payment is essential for the effective implementation of a program within the provisions of this section, and to the extent funds are available, and not more frequently than once each fiscal year, advance to a community-based private nonprofit agency with which it has contracted, pursuant to federal law and related state law, for the delivery of services, not to exceed 25 percent of the annual allocation to be made pursuant to the contract and those laws, during the fiscal year to the private nonprofit agency.

SEC. 100. Section 11565 of the Government Code is amended to read:

11565. If the salary specified in Article 1 (commencing with Section 11550) for any particular position is greater than the salary which the incumbent is receiving on the date when this chapter takes effect, he or she shall receive the higher amount from and after the first day of the month immediately following such effective date.

SEC. 101. Section 11566 of the Government Code is amended to read:

11566. If the salary specified in Article 1 (commencing with Section 11550) for any particular position is less than the salary which the incumbent is receiving on the date when this chapter takes effect, he or she shall continue to receive the higher amount and the provisions of Article 1 (commencing with Section 11550) shall not become operative until a new appointment is made for the position.

SEC. 102. Section 12016 of the Government Code is amended to read:

12016. (a) The budget required by the State Constitution to be submitted by the Governor for the ensuing fiscal year shall be submitted to the Legislature within the first 10 days of the calendar year and shall contain a complete plan and itemized statement of all

proposed expenditures of the state provided by existing law or recommended by him or her, and all of its institutions, departments, boards, bureaus, commissions, officers, employees, and other agencies, and of all estimated revenues, for the ensuing fiscal year, together with a comparison, as to each item of revenues and expenditures, with the actual revenues and expenditures for the last completed fiscal year and the estimated revenues and expenditures for the existing fiscal year.

(b) The Governor, or the Department of Finance acting on his or her behalf, shall make appropriate changes in his or her budget request to reflect any modification in the organization or functions of state government proposed under Article 7.5 (commencing with Section 12080) of Chapter 1 prior to the passage of the budget bill.

(c) This section applies to the budgets for all the following departments and agencies only with respect to the budgets of these departments and agencies for the 1979–80, 1980–81, and 1981–82 fiscal years:

(1) Employment Development Department.
(2) State Department of Education.
(3) California State University.
(4) Department of Water Resources.
(5) Department of Transportation.
(6) State Department of Health Services.
(7) State Department of Social Services.
(8) Department of Motor Vehicles.

(d) This section applies to the budgets of all other state entities only with respect to the budgets of those entities until the time the provisions of Sections 12412.1, 13300, 13337, and 13338 become applicable to those entities.

The California State University shall not be subject to Sections 12412.1, 13300, 13337, and 13338 related to the implementation of the California Fiscal Information System until the 1985–86 fiscal year.

This section shall remain in effect only until Sections 12412.1, 13300, 13337, and 13338 become applicable to those other state entities, and as of that date is repealed, unless a later enacted statute which is chaptered before that date, deletes or extends the date.

SEC. 103. Section 12100 of the Government Code is amended to read:

12100. The annual salary of the Lieutenant Governor is provided for by Chapter 6 (commencing with Section 11550) of Part 1.

SEC. 104. Section 12150 of the Government Code is amended to read:

12150. The annual salary of the Secretary of State is provided for by Chapter 6 (commencing with Section 11550) of Part 1.

SEC. 105. Section 12300 of the Government Code is amended to read:

12300. The annual salary of the State Treasurer is provided for by Chapter 6 (commencing with Section 11550) of Part 1.

SEC. 106. Section 12400 of the Government Code is amended to read:

12400. The annual salary of the Controller is provided for by Chapter 6 (commencing with Section 11550) of Part 1.

SEC. 107. Section 12405 of the Government Code is amended to read:

12405. For the purposes of Article 2 (commencing with Section 11180) of Chapter 2 of Part 1, the State Controller shall be deemed to be a head of a department and the Office of State Controller shall be deemed to be a department.

SEC. 108. Section 12463.1 of the Government Code is amended to read:

12463.1. (a) The Controller shall appoint an advisory committee consisting of seven local governmental officers to assist him or her in developing complete and adequate records.

(b) Whenever, in the opinion of the advisory committee and the Controller, the public welfare demands that the reports of the financial transactions of a district other than a school district be published, the Controller shall notify the district that reports of its financial transactions are required to be furnished to him pursuant to Article 9 (commencing with Section 53890) of Chapter 4 of Part 1 of Division 2 of Title 5. A public entity, agency, board, transportation planning agency designated by the Secretary of the Business, Transportation and Housing Agency pursuant to Section 29532, or commission provided for by a joint powers agreement pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 or a redevelopment agency as provided for by Division 24 (commencing with Section 33000) of the Health and Safety Code, if it has issued bonds the principal and interest of which are payable from taxes allocated to and paid into a special fund of the agency under authority of Section 33641 of the Health and Safety Code, and a nonprofit corporation as defined herein, shall be deemed a district within the meaning of this section. The Controller shall compile and publish such reports pursuant to Section 12463.

(c) For purposes of this section, "nonprofit corporation" means any nonprofit corporation to which any of the following apply:

(1) Formed in accordance with the provisions of a joint powers agreement to carry out functions specified in the agreement.

(2) Issued bonds, the interest on which is exempt from federal income taxes, for the purpose of purchasing land as a site for, or purchasing or constructing, a building, stadium, or other facility, which is subject to a lease or agreement with a local public entity.

(3) Wholly owned by a public agency.

SEC. 109. Section 12520 of the Government Code is amended to read:

12520. The Attorney General shall not employ special counsel in any case except pursuant to either of the following:

(a) Article 3 (commencing with Section 12540).

(b) Article 4 (commencing with Section 12550).

SEC. 110. Section 12803.2 of the Government Code, as added by Chapter 1357 of the Statutes of 1968 and amended by Chapter 138 of

the Statutes of 1969, is repealed.

SEC. 111. Section 12803.3 of the Government Code, as added by Chapter 1357 of the Statutes of 1968 and amended by Chapter 138 of the Statutes of 1969, is repealed.

SEC. 112. Section 12803.4 of the Government Code, as added by Chapter 1357 of the Statutes of 1968 and amended by Chapter 138 of the Statutes of 1969, is repealed.

SEC. 113. Section 13008 of the Government Code is amended to read:

13008. For the purpose of administering Article 1 (commencing with Section 13290) of Chapter 3, the Director of Finance may appoint and prescribe the duties and fix the salaries of such number of skillful accountants or assistants as he or she deems necessary. Each appointee is a civil executive officer.

Before entering upon the discharge of the duties of his or her office, each appointee shall execute to the state an official bond conditioned upon the faithful performance of his or her duties in the penal sum which the director prescribes, but not less than five thousand dollars ($5,000).

SEC. 114. Section 13141 of the Government Code is amended to read:

13141. This article does not affect payments required by Article 2 (commencing with Section 16370) of Chapter 2 of Part 2 of Division 4 to be made into or from the "Special Deposit Fund."

SEC. 115. Section 14030 of the Government Code is amended to read:

14030. The powers and duties of the department shall include, but not be limited to, all of the following activities:

(a) Supporting the commission in coordinating and developing, in cooperation with local and regional entities, comprehensive balanced transportation planning and policy for the movement of people and goods within the state.

(b) Coordinating and assisting, upon request of, the various public and private transportation entities in strengthening their development and operation of balanced integrated mass transportation, highway, aviation, maritime, railroad, and other transportation facilities and services in support of statewide and regional goals.

(c) Developing, in cooperation with local and regional transportation entities, the full potential of all resources and opportunities which are now, and may become, available to the state and to regional and local agencies for meeting California's transportation needs, as provided by statutes and, in particular, maximizing the amount of federal funds which may be available to the state and increasing the efficiency by which such funds are utilized.

(d) Planning, designing, constructing, operating, and maintaining those transportation systems which the Legislature has made, or may make, the responsibility of the department; provided that the department is not authorized to assume the functions of project planning, designing, constructing, operating, or maintaining maritime or

aviation facilities without express prior approval of the Legislature with the exception of those aviation functions which have been designated for the department in the Public Utilities Code.

(e) Coordinating and developing transportation research projects of statewide interest.

(f) Exercising such other functions, powers, and duties as are or may be provided for by law.

(g) With the Department of Housing and Community Development, investigating and reporting to the Secretary of the Business, Transportation and Housing Agency upon the consistency between state, local, and federal housing plans and programs and state, local, and federal transportation plans and programs.

SEC. 116. Section 14606 of the Government Code is amended to read:

14606. Chapter 2 (commencing with Section 11150) of Part 1 applies to the director and the director is the head of a department within the meaning of the chapter.

SEC. 117. Section 14610 of the Government Code is amended to read:

14610. Notwithstanding Section 11043, the department may employ such persons as are necessary to provide house legal counsel for the department. These persons may advise the director, officers, employees, boards, commissions, and offices of the department concerning legal affairs of the department. The official legal adviser concerning the department's interdepartmental powers, functions, and relationships with other departments is the Attorney General. House legal counsel for the department when authorized by the Attorney General may represent the department and the state in litigation concerning affairs of the department.

SEC. 118. Section 14650 of the Government Code is amended to read:

14650. In addition to the duties, powers, purposes, responsibilities, and jurisdiction vested in the Director of General Services or the Department of General Services pursuant to Section 14651, the Director of General Services or the Department of General Services is authorized and directed to exercise, with respect only to the construction, alteration, repair, or improvement of state buildings, the functions and powers vested in the Director of Transportation, the Department of Transportation, the Division of Architecture or the State Architect, which on September 16, 1965, are exercised or performed by the Division of Architecture or the State Architect of the Department of Transportation under the statutes enumerated below in this section. Except to the extent only that the functions and powers under the statutes enumerated below in this section are vested in the Director of General Services or the Department of General Services by this section, the functions and powers under the statutes enumerated below remain with, and may continue to be exercised by, the Director of Transportation or the Department of Transportation.

(a) Education Code: Section 41709.

(b) Government Code: Sections 4001, 14014, 14032, 14101, 14104, 14104.5, 14120, 14121, 14122, 14123, 14953, 15815, and 54115.

SEC. 119. Section 14651 of the Government Code is amended to read:

14651. The Department of General Services succeeds to and is vested with all of the duties, powers, purposes, responsibilities, and jurisdiction vested in the Division of Architecture, the State Architect, or the Department of Transportation under Chapter 2 (commencing with Section 39100) of Part 23 of Division 3 of Title 2 of the Education Code, and Sections 15543, 16008, and 90106 of the Education Code.

SEC. 120. Section 14654 of the Government Code is amended to read:

14654. All public property, real or personal, of the Department of Finance or the Department of Transportation used principally or primarily in carrying out of any function, or acquired in connection with the exercise of any function, which function is transferred to the Department of General Services, is transferred to the Department of General Services.

SEC. 121. Section 14655 of the Government Code is amended to read:

14655. All officers and employees of the Department of Finance or the Department of Transportation on September 16, 1965, who are serving in the state civil service, other than temporary employees, and who are engaged in the performance of a function transferred to the Department of General Services or who are engaged in the administration of a law, the administration of which is transferred to the Department of General Services, by this chapter shall be transferred to the Department of General Services and their status, positions, and rights shall not be affected by their transfer and they shall continue to be retained as employees of the Department of General Services pursuant to the State Civil Service Act, except as to positions the duties of which are vested in a position exempt from civil service in the Department of General Services.

SEC. 122. Section 14658 of the Government Code is amended to read:

14658. The Director and the Department of General Services succeed to and are vested with all the duties, powers, purposes, responsibilities, and jurisdiction heretofore vested in the Capitol Building and Planning Commission by Chapter 2.8 (commencing with Section 8160) of Division 1.

SEC. 123. Section 14760 of the Government Code is amended to read:

14760. The director shall, through the Secretary of the State and Consumer Services Agency, make an annual written report to the Governor. The report shall describe the status and progress of programs established pursuant to this chapter and shall include the recommendations of the director for improvements in the manage-

ment of records in the state government.

SEC. 124. Section 14956 of the Government Code is amended to read:

14956. This chapter, insofar as it vests in the State Architect general charge of the erection of all state buildings and require him or her to have an inspector assigned to each building during its construction, does not apply to the construction of any public works which is under the jurisdiction of the Department of Water Resources, the Department of Boating and Waterways pursuant to Article 2.5 (commencing with Section 65) of Chapter 2 of Division 1 of the Harbors and Navigation Code, or the Department of Transportation.

SEC. 125. Section 15606 of the Government Code is amended to read:

15606. The State Board of Equalization shall do all of the following:

(a) Prescribe rules for its own government and for the transaction of its business.

(b) Keep a record of all its proceedings.

(c) Prescribe rules and regulations to govern local boards of equalization when equalizing, and assessors when assessing, including uniform procedures for the consideration and adoption of written findings of fact by local boards of equalization as required by Section 1611.5 of the Revenue and Taxation Code.

(d) Prescribe and enforce the use of all forms for the assessment of property for taxation, including forms to be used for the application for reduction in assessment.

(e) Prepare and issue instructions to assessors designed to promote uniformity throughout the state and its local taxing jurisdictions in the assessment of property for the purposes of taxation. It may adapt such instructions to varying local circumstances and to differences in the character and conditions of property subject to taxation as in its judgment is necessary to attain such uniformity.

(f) Subdivisions (c), (d), and (e) shall include, but are not limited to, rules, regulations, instructions, and forms relating to classifications of kinds of property and evaluation procedures. All rules and regulations adopted by the board pursuant to subdivision (c) shall be adopted, on and after January 1, 1968, pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1.

(g) Prescribe rules and regulations to govern local boards of equalization when equalizing and assessors when assessing with respect to the assessment and equalization of possessory interests.

(h) Bring an action in a court of competent jurisdiction to compel an assessor or any city or county tax official to comply with any provision of law, or any rule or regulation of the board adopted in accordance with subdivision (c), governing the assessment or taxation of property. The Attorney General shall represent the board in such action.

This section is mandatory.

SEC. 126. Section 15957 of the Government Code is amended to read:

15957. "Secretary" means the Secretary of the Business, Transportation, and Housing Agency.

SEC. 127. Section 19996.22 of the Government Code is amended to read:

19996.22. (a) Any employee who is being coerced, or who has been required, by the appointing power, a supervisor, or another employee, to involuntarily reduce his or her worktime contrary to the intent of this article, or who has been unreasonably denied the right to participate in this program, may file a grievance with the department.

(b) Any employee of the California State University system who is being coerced, or who has been required by the appointing power, a supervisor, or another employee, to involuntarily reduce his or her worktime contrary to the intent of this article, or who has been unreasonably denied the right to participate in this program, may file a grievance pursuant to the procedures established by the Trustees of the California State University.

(c) Nothing in this article shall impair the employment or employment rights or benefits of any employee.

(d) This article shall not apply to employees who are full-time state peace officers unless approved by the peace officers' appointing power.

SEC. 128. Section 19996.28 of the Government Code is amended to read:

19996.28. The Trustees of the California State University shall adopt the appropriate rules and guidelines relating to the implementation of the reduced worktime program for the employees of the California State University system.

SEC. 129. Section 19996.33 of the Government Code is amended to read:

19996.33. "Reduced worktime for partial service retirement" means any arrangement of worktime agreeable to both the appointing authority and the employee which aggregates no less, on a monthly basis, than a 20 percent reduction nor more than a 60 percent reduction from what would in that classification be considered full-time employment, combined with the concurrent payment of proportionally reduced compensation and proportionally reduced retirement benefits.

SEC. 130. Section 20011.1 of the Government Code is amended to read:

20011.1. "School employer" means a county superintendent of schools, other than the Los Angeles County Superintendent of Schools and the San Diego County Superintendent of Schools, which has entered into a contract with the board pursuant to Chapter 4.5 (commencing with Section 20580) and any school district or community college district which was a contracting agency on July 1, 1983, excluding that portion of a contract with the Los Angeles City

Unified School District and the Los Angeles Community College District that pertains to local policemen, as defined in Section 20020.8, on July 1, 1983.

SEC. 131. Section 20133 of the Government Code is amended to read:

20133. The board may, in its discretion, hold a hearing for the purpose of determining any question presented to it involving any right, benefit, or obligation of a person under this part. Where a hearing is held, the proceedings shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3, and the board shall have all of the powers granted therein; except that Section 11508 shall not apply, and the hearing shall be held at such time and place as may be determined by the board.

SEC. 132. Section 20230.5 of the Government Code is amended to read:

20230.5. The records and accounts required under Section 20230 shall not include the contributions made by the state or contracting agencies with respect to the survivor allowances provided for in Article 6 (commencing with Section 21380) of Chapter 9. The board shall keep such additional records and accounts with respect to such contributions as will show at any time the accumulated contributions of the state and of contracting agencies held to meet the obligation of the state and of the contracting agencies, respectively, on account of survivor allowances.

SEC. 133. Section 20300 of the Government Code is amended to read:

20300. This article does not apply to persons expressly excluded from membership in this system by Articles 2 (commencing with Section 20330) and 3 (commencing with Section 20360).

SEC. 134. Section 20581 of the Government Code is amended to read:

20581. Except as otherwise provided in this chapter, all of the provisions of Chapter 4 (commencing with Section 20560) apply to contracts made pursuant to this chapter.

SEC. 135. Section 20631 of the Government Code is amended to read:

20631. Notwithstanding any other provision of this part, a member may at any time, in writing, authorize the board to apply any additional contributions standing to the member's credit as payment of any contributions required of the member or payable at the member's option pursuant to any provision of this part, except the normal monthly contributions required in Article 1 (commencing with Section 20600).

SEC. 136. Section 20801 of the Government Code is amended to read:

20801. "State service" means service rendered as an employee or officer (employed, appointed or elected) of the state, the university, a school employer, or a contracting agency, for compensation, and only while he or she is receiving compensation from that employer

therefor, except as provided in Article 4 (commencing with Section 20890).

SEC. 137. Section 20802 of the Government Code is amended to read:

20802. "Highway patrol service" means service rendered as a member of the California Highway Patrol or, after August 31, 1923, the highway patrol of any county, only while the member is receiving compensation from the state or county for such service, except as provided in Article 4 (commencing with Section 20890).

SEC. 138. Section 20803.4 of the Government Code is amended to read:

20803.4. "State safety service" with respect to a member who becomes a state safety member pursuant to Sections 20017.85 and 20017.86 shall also include service in a class specified in these sections or service pursuant to Section 20803.7, prior to September 27, 1982.

SEC. 139. Section 20952 of the Government Code is amended to read:

20952. (a) A local safety member, other than one subject to Section 21252.01, shall be retired for service upon the member's written application to the board if the member has attained age 55, and is credited with five years of state service.

(b) Subdivision (a) does not apply to the employees of any contracting agency having a contract with the board made prior to the date this section takes effect, which contract specifies an age greater than age 55 as the minimum age for voluntary retirement for service for local safety members, unless and until the agency elects to make subdivision (a) applicable to its employees, by amendment to its contract made in the manner prescribed for the approval of contracts, except that an election among the employees is not required.

Unless and until any such contracting agency elects to make subdivision (a) applicable to its employees, a local safety member employed by such contracting agency shall be retired for service upon the member's written application to the board if the member has attained the minimum age for voluntary retirement specified in the contract between his or her employer and the board, and is credited with five years of state service.

SEC. 140. Section 20986 of the Government Code is amended to read:

20986. At any time prior to the payment of or her first retirement allowance, a person whose retirement was compulsory under this article may file with the board a request for refund of his or her accumulated contributions as of the effective date of the retirement, in lieu of any other benefit payable under this part. Upon receipt of such request so filed, the contributions shall be paid to that person forthwith and that person shall not be entitled to any other benefit payable under this part.

SEC. 141. Section 21154 of the Government Code is amended to read:

21154. A retired person may serve without reinstatement from

retirement or loss or interruption of benefits provided by this system as a substitute in a position requiring certification qualifications, pursuant to Section 59007 or 59113 of the Education Code, at the California School for the Deaf or the California School for the Blind; provided, that the total of that service shall not exceed 90 teaching days in any fiscal year.

SEC. 142. Section 21155.1 of the Government Code is amended to read:

21155.1. A retired person may serve without reinstatement from retirement or loss or interruption of benefits provided by this system as a member of the academic staff of a California state university, if that service does not exceed, in any fiscal year, a total of 90 days for all employers or 40 percent of the hours the member was employed during the last fiscal year of service prior to retirement.

SEC. 143. Section 21158 of the Government Code is amended to read:

21158. A retired person may serve without reinstatement from retirement or loss or interruption of benefits provided by this system upon appointment by a school employer or by the Trustees of the California State University either during an emergency to prevent stoppage of public business or because the retired employee has skills needed in performing specialized work of limited duration, if that service does not exceed, in any fiscal year, a total of 90 days for all employers or 35 percent of the hours the member was employed during the last fiscal year of service prior to retirement. The retired person's rate of pay for such employment shall not be less than the minimum, nor exceed that paid by the employer to other employees performing comparable duties.

SEC. 144. Section 21202 of the Government Code is amended to read:

21202. The benefits payable after August 4, 1943 under this system shall not be modified on account of any amounts paid to a retired member or beneficiary (as defined in this part), under Division 4 (commencing with Section 3201) of the Labor Code.

SEC. 145. Section 21263.3 of the Government Code is amended to read:

21263.3. The allowance provided by Section 21263 shall be paid with respect to a local miscellaneous or local safety member whose retirement was effective prior to his employer's election to be subject to such section with respect to employees in his employment, if at retirement he did not elect optional settlement two or three or an optional settlement involving life contingency under optional settlement four. The retirement allowance payable to such a retired member who elected any such optional settlement, or to a beneficiary of such a retired member, shall be increased by 15 percent, for time on and after such operative date and prior to the next annual adjustment under Article 1.5 (commencing with Section 21220) and the base allowance shall be increased by 15 percent for purpose of that and all subsequent annual adjustments. The amount payable to the

beneficiary under such optional settlement shall be increased by the same percentage and in the same manner as the increase provided for the payment to the member.

The increased allowance provided by this section shall not be payable to a beneficiary who is receiving an allowance pursuant to this article on September 29, 1980, unless and until the employer of the retired member elects to be subject to the provisions of this section as so amended by amendment to its contract made in the manner prescribed for approval of contracts, except that an election among employees shall not be required. In the case of contracts made on or after September 29, 1980, the operative date of Section 21263, for purposes of application of that section to local members, shall be the effective date of the contract or contract amendment.

SEC. 146. Section 27387 of the Government Code is amended to read:

27387. In addition to any other fee, the county recorder shall collect a fee from any lienor, other than a governmental entity, for the recordation of an abstract of judgment or other document creating an involuntary lien within the meaning of Section 27297.5 affecting title to real property. The fee shall not exceed the actual cost to the recorder of providing the notice required by Section 27297.5.

SEC. 147. The heading of Chapter 6.1 (commencing with Section 54701) of Part 1 of Division 2 of Title 2 of the Government Code is amended and renumbered to read:

CHAPTER 6.4. BENEFIT ASSESSMENT ACT OF 1982

SEC. 148. The heading of Chapter 6.4 (commencing with Section 54701.1) of Part 1 of Division 2 of Title 2 of the Government Code is amended and renumbered to read:

CHAPTER 6.3. EMPLOYEE RENTAL HOUSING

SEC. 149. Section 54701 of the Government Code is amended and renumbered to read:

54703. This chapter shall be known and may be cited as the Benefit Assessment Act of 1982.

SEC. 150. Section 54702 of the Government Code is amended and renumbered to read:

54703.1. The Legislature finds and declares that it is in the public interest to allow local agencies to finance property related services through the imposition of an assessment upon the property which benefits from those services.

The Legislature also finds and declares that assessments imposed for the purpose of providing services which benefit individual properties are not taxes for the general benefit of the governmental entity, but are assessments for services which confer special benefits upon the properties to which the services are provided.

SEC. 151. Section 54703 of the Government Code is amended and

renumbered to read:

54703.3. The purpose of this chapter is to recodify and supplant previously enacted provisions of law which authorize the imposition of benefit assessments and to provide a uniform procedure for the enactment of benefit assessments for services by local jurisdictions.

SEC. 152. Section 1373.8 of the Health and Safety Code is amended to read:

1373.8. A health care service plan contract, even if written or issued for delivery outside of this state, shall not be deemed to prohibit persons covered under the contract from selecting those licensed persons in this state to perform the services in this state which are within the contract even though the licensees are not licensed in the state where the contract is written or issued for delivery if all of the following conditions are satisfied:

(a) The plan is licensed to do business in this state.

(b) The plan provides coverage of solely residents of this state.

(c) Benefits are provided solely within the scope of practice of any of the following:

(1) A licensed clinical social worker.

(2) A registered nurse licensed pursuant to Chapter 6 (commencing with Section 2700) of Division 2 of the Business and Professions Code who possesses a master's degree in psychiatric-mental health nursing and two years of supervised experience in psychiatric mental health nursing.

(3) A marriage, family, and child counselor who is the holder of a license under Section 17805 of the Business and Professions Code.

SEC. 153. Section 18913 of the Health and Safety Code is amended to read:

18913. "Emergency standard" means either of the following:

(a) A building standard or an order of repeal of a building standard filed for publication in the code by the commission pursuant to Section 11346.1 of the Government Code.

(b) A building standard adopted by the Occupational Safety and Health Standards Board which is substantively identical to a federal standard promulgated under Section 6 of the federal Occupational Safety and Health Act of 1970 (P.L. 91-596).

SEC. 154. Section 25150.1 of the Health and Safety Code is amended to read:

25150.1. The requirements in Sections 25284 and 25284.1 apply to the construction, operation, maintenance, monitoring, and testing of underground storage tanks, as defined in subdivision (m) of Section 25280, which are required to obtain hazardous waste facilities permits from the department. The department shall adopt regulations implementing the requirements of Sections 25284 and 25284.1, for regulating the construction, operation, maintenance, monitoring, and testing of underground storage tanks used for the storage of hazardous wastes which standards and regulations are necessary to protect against hazards to the public health, to domestic livestock, to wildlife, or to the environment. The department shall adopt the

regulations by January 1, 1985. If the regulations are not adopted by that date, the regulations adopted by the board implementing Section 25284.1 shall be deemed to be the regulations of the department pursuant to this section until new regulations are adopted by the department pursuant to this section.

SEC. 155. Section 25180 of the Health and Safety Code is amended to read:

25180. (a) The standards and regulations adopted by the department pursuant to Section 25150 shall be enforced by the department or any local health officer or any local public officer as designated by the director.

(b) Any traffic officer, as defined by Section 625 of the Vehicle Code, or any peace officer, as defined by Section 830.1 of the Penal Code, in addition to the department and local health officers, as specified in subdivision (a) may enforce Section 25160, subdivisions (a) and (d) of Section 25163, and subdivision (b) of Section 25169.1.

SEC. 156. Section 25288.3 of the Health and Safety Code is amended to read:

25288.3. (a) Any permitholder or permit applicant may apply to the board for a categorical variance from Section 25284 or 25284.1. The application shall include a description of the proposed alternative program, method, device, or process and description of the region, area, or circumstances under which the variance would apply. The board shall give notice to each affected city, county, or city and county. The board shall issue a categorical variance from this chapter if it finds, after investigation and at least two public hearings held in different areas of the state, as selected by the board, that the applicant has demonstrated by clear and convincing evidence that the proposed alternative will adequately protect the soil and the beneficial uses of water of the state from an unauthorized release. The board may remand the application to the appropriate regional board if it determines the application falls within subdivision (c).

(b) Any local agency may apply to the board for authority to implement design and construction standards for the containment of a hazardous substance in underground storage tanks which are in addition to those set forth in this chapter. The application shall include a description of the additional standards and a discussion of the need to implement them. The board shall approve the application if it finds, after an investigation and public hearing, that the local agency has demonstrated by clear and convincing evidence that the additional standards are necessary to adequately protect the soil and the beneficial uses of the waters of the state from unauthorized releases.

The board shall make its determination within six months of the date of application for authority to implement additional standards. If the board's determination upholds the application for authority to implement additional standards, the standards shall be effective as of the date of the determination. If the board's determination does not uphold the application, the additional standards shall not go into

effect.

(c) Any permitholder or permit applicant may apply to the regional water quality control board having jurisdiction over the location of the permitholder or applicant's facility for a site-specific variance from Section 25284 or 25284.1. Before applying for a variance, the applicant shall contact the local agency. If the local agency decides that a variance would be necessary to approve a proposal, or if the local agency does not make a decision within 60 days, the permitholder or applicant may proceed with a variance application. At least 30 days before applying to the appropriate regional water quality control board the applicant shall notify and request the local agency and the city, county, or city and county having land use jurisdiction over the city to join the applicant in the variance application. The city, county, or city and county shall provide notice of the receipt of this request to any person who has requested the notice. The local agency shall have 30 days from completion of any documents required by the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) and the receipt of the regional board's staff recommendation and analysis to act on the request. The regional board shall not hold a hearing upon the application until after the expiration of this 30-day period. Failure of the local agency or city, county, or city and county to join in the variance application shall not affect the request of the applicant to proceed with the variance application, except that the board shall consider the local agency's and the city, county, or city and county's recommendations in rendering its decision. The notification and request to join to the local agency and the city, county, or city and county and the appplication to the appropriate regional board shall include a description of the proposed alternative program method or process. The regional water quality control board shall approve the variance if it finds, after investigation and public hearing, that the applicant has demonstrated by clear and convincing evidence that because of special circumstances not generally applicable to other property or facilities, including size, shape, design, topography, location, or surroundings, the strict application of the standards of this chapter would be unnecessary to adequately protect the soil and beneficial uses of the waters of the state from an unauthorized release, or that strict application would create practical difficulties not generally applicable to other facilities or property and that the proposed alternative will adequately protect the soil and beneficial uses of the waters of the state from an unauthorized release.

(d) Applicants for action under this section shall pay a fee determined by the State Water Resources Control Board to be reasonable in covering costs in considering the application.

SEC. 157. Section 56032 of the Health and Safety Code is amended to read:

56032. A plan for a large scale urban development shall contain, as a minimum, all of the following elements:

(a) A legal description of the exterior boundaries of the site proposed as a large scale urban development together with a map encompassing that area and delineating thereon the boundaries.

(b) A comprehensive plan for the financing of public improvements and services, including both the costs of capital outlay and the costs of operation and maintenance pursuant to Section 56036. The plan shall address public improvement financing measures to be taken in the event that the sponsor falls behind the construction schedule set out in the plan, or if the sponsor abandons the project at any point.

(c) A specific timetable for the completion of each phase of the development.

(d) A comprehensive development plan which is consistent with state and local general plan requirements, and which specifies the uses to which the proposed parcels will be dedicated. At least 20 percent of the gross acreage shall be set aside for open space or park purposes. If the comprehensive development plan is not consistent with the applicable local general plan, it shall be accompanied by any necessary general plan amendment which may be considered simultaneously with the development application. However, any amendment of the general plan pursuant to this subdivision shall not be counted as a general plan amendment for the purposes of subdivision (a) of Section 65361 of the Government Code.

(e) Information on the number of jobs to be created in the large scale urban development and an assessment of the income levels of the jobs. The plan shall provide for development of a balance of jobs and housing that would maximize the opportunities of large scale urban development residents to work there. If the legislative body finds that the sponsor is not making adequate efforts to achieve this balance between jobs and housing at the end of each three-year period following approval of the plan, the legislative body shall take whatever actions it deems necessary to ensure that balance, including halting the issuance of development approvals.

(f) A detailed plan for the provision of housing for all income ranges based on the identified housing needs created by the large scale urban development. Not less than 25 percent of the housing units shall be affordable to low- and moderate-income households. The plan shall provide that, at the end of each three-year period from the time of approval of the plan, at least 25 percent of the housing units completed or under construction shall be affordable to low- and moderate-income households. The timetable required pursuant to subdivision (c) shall provide for the development of housing in accordance with the provisions of this subdivision.

(g) An evaluation of the impact, if any, of the plan on agricultural lands located within, or in proximity to, the area to be included within the plan and on crop production of these lands. The evaluation shall include, at a minimum, an assessment of the economic impact of converting agricultural lands to other uses, the necessity of preserving lands in agricultural use, and any adverse impact which

the development of a large scale urban development pursuant to this division would have on agricultural operations in proximity to the large scale urban development. The legislative body shall, based on the findings of these evaluations, require measures necessary to mitigate the adverse impact, if any, of the large scale urban development on agricultural lands and crop production within or in proximity to the proposed boundaries of the large scale urban development.

(h) A detailed plan for the development of commercial and industrial sites which may be necessary to provide a balanced economic base for the large scale urban development and to provide economic opportunities for the residents of the large scale urban development.

(i) A comprehensive plan for the development of public facilities, such as transit and schools, which may be required to meet the needs of the large scale urban development.

(j) An evaluation of impact of the plan on the capacity of existing sewer facilities and water resources in contiguous cities and in other affected areas.

(k) An evaluation of the impact of the plan on existing or planned industrial and commercial developments in contiguous cities.

(*l*) An evaluation of the impact of the plan on air and water quality within the region in which the large scale urban development is to be located and on the public service facilities within that region.

SEC. 158. Section 1859.1 of the Insurance Code is amended to read:

1859.1. (a) Any person, insurer, organization, group or association who fails to comply with a final order of the commissioner under this chapter shall be liable to the state in an amount not exceeding fifty dollars ($50) but if the failure is willful he or it shall be liable to the state in an amount not exceeding five thousand dollars ($5,000) for the failure. The commissioner shall collect the amount so payable and may bring an action in the name of the people of the State of California to enforce collection. These penalties may be in addition to any other penalties provided by law.

(b) A willful violation of this chapter by any person is a misdemeanor.

SEC. 159. Section 422 of the Military and Veterans Code is amended to read:

422. Any person other than an officer, warrant officer, or enlisted man of the California National Guard, or of the unorganized militia when called into the service of the state or of the State Military Reserve or who may be appointed under Section 141 or who may be authorized by Sections 502, 502.1, or 502.2 or who may be a member of the Naval Militia of this state, or who may be a member of the military forces of another state or of the United States Army, United States Air Force, United States Navy, United States Marine Corps, United States Coast Guard Service or United States or State Forest Service or personnel of the Department of Fish and Game or members of the Department of the California Highway Patrol, or an

inmate of any veterans' or soldiers' home, or other person authorized by the laws of the United States or of this state, who at any time wears the uniform of the United States Army, United States Air Force, or United States Navy or of the armed forces of the United States or any organization thereof or National Guard or Naval Militia, or any part of such uniform, or a uniform or part of a uniform similar thereto, is guilty of a misdemeanor and is punishable by a fine of not less than one hundred dollars ($100) nor more than five hundred dollars ($500), or by imprisonment in the county jail not exceeding 60 days, or by both.

SEC. 160. Section 367a of the Penal Code is amended and renumbered to read:

368. (a) Any person who, under circumstances or conditions likely to produce great bodily harm or death, willfully causes or permits any dependent adult, with knowledge that he or she is a dependent adult, to suffer, or inflicts thereon unjustifiable physical pain or mental suffering, or having the care or custody of any dependent adult, willfully causes or permits the person or health of the dependent adult to be injured, or willfully causes or permits the dependent adult to be placed in a situation such that his or her person or health is endangered, is punishable by imprisonment in the county jail not exceeding one year, or in the state prison for two, three, or four years.

(b) Any person who, under circumstances or conditions other than those likely to produce great bodily harm or death, willfully causes or permits any dependent adult, with knowledge that he or she is a dependent adult, to suffer, or inflicts thereon unjustifiable physical pain or mental suffering, or having the care or custody of any dependent adult, willfully causes or permits the person or health of the dependent adult to be injured or willfully causes or permits the dependent adult to be placed in a situation such that his or her person or health may be endangered, is guilty of a misdemeanor.

(c) Any caretaker of a dependent adult who violates any provision of law proscribing theft or embezzlement, with respect to the property of that dependent adult, is punishable by imprisonment in the county jail not exceeding one year, or in the state prison for two, three, or four years when the money, labor, or real or personal property taken is of a value exceeding four hundred dollars ($400), and by fine not exceeding one thousand dollars ($1,000) or by imprisonment in the county jail not exceeding one year, or both, when the money, labor, or real or personal property taken is of a value not exceeding four hundred dollars ($400).

(d) As used in this section, "dependent adult" means a person who, because of any mental disability due to birth defect, physical disorder, or advanced age, is unable to properly provide for his or her own personal needs with regard to his or her physical health, food, clothing, or shelter, or is substantially unable to manage his or her own financial resources or to resist fraud or undue influence.

(e) As used in this section, "caretaker" means any person who has

the care, custody, or control of or who stands in a position of trust with, a dependent adult.

SEC. 161. Chapter 13 (commencing with Section 571) of Title 13 of Part 1 of the Penal Code is repealed.

SEC. 162. Section 1203.04 of the Penal Code, as added by Chapter 1283 of the Statutes of 1982 and amended by Chapter 223 of the Statutes of 1983, is amended and renumbered to read:

1203.073. (a) A person convicted of a felony specified in subdivision (b) may be granted probation only in an unusual case where the interests of justice would best be served; when probation is granted in such a case, the court shall specify on the record and shall enter in the minutes the circumstances indicating that the interests of justice would best be served by such a disposition.

(b) Except as provided in subdivision (a), probation shall not be granted to, nor shall the execution or imposition of sentence be suspended for, any of the following persons:

(1) Any person who is convicted of violating Section 11351 of the Health and Safety Code by possessing for sale 28.5 grams or more of cocaine, or a substance containing 28.5 grams or more of cocaine.

(2) Any person who is convicted of violating Section 11378 of the Health and Safety Code by possessing for sale 28.5 grams or more of methamphetamine, or a substance containing 28.5 grams or more of methamphetamine.

SEC. 163. Section 11105.2 of the Penal Code, as added by Chapter 681 of the Statutes of 1981, is amended and renumbered to read:

11105.3. (a) Notwithstanding any other provision of law, an employer may request from the Department of Justice records of all convictions involving any sex crimes of a person who applies for employment or volunteers for a position in which he or she would have supervisory or disciplinary power over a minor. The department shall furnish the information to the requesting employer and shall also send a copy of the information to the applicant.

(b) Any request for records under subdivision (a) shall include the applicant's fingerprints, which may be taken by the employer, and any other data specified by the department. The request shall be on a form approved by the department, and the department may charge a fee to be paid by the employer for the actual cost of processing the request. The department shall destroy an application within six months after the requested information is sent to the employer and applicant.

(c) The department shall adopt regulations to implement the provisions of this section.

(d) As used in this section "employer" means any nonprofit corporation or other organizations specified by the Attorney General which employs or uses the services of volunteers in positions in which the volunteer or employee has supervisory or disciplinary power over a child or children.

(e) As used in this section "sex crime" means a conviction for a violation or attempted violation of Section 220, 261, 261.5, 264.1, 267,

272, 273a, 273d, 285, 286, 288, 288a, 289, 314, 647a, or subdivision (d) of Section 647, or commitment as a mentally disordered sex offender under the provisions of Article 1 (commencing with Section 6300) of Chapter 2 of Part 2 of Division 6 of the Welfare and Institutions Code.

Conviction for a violation or attempted violation of an offense committed outside the State of California is a sex crime if such offense would have been a crime under one of the above sections if committed in California.

SEC. 164. Section 11167 of the Penal Code is amended to read:

11167. (a) A telephone report of a known or suspected instance of child abuse shall include the name of the person making the report, the name of the child, the present location of the child, the nature and extent of the injury, and any other information, including information that led that person to suspect child abuse, requested by the child protective agency.

(b) Information relevant to the incident of child abuse may also be given to an investigator from a child protective agency who is investigating the known or suspected case of child abuse.

(c) The identity of all persons who report under this article shall be confidential and disclosed only between child protective agencies, or to counsel representing a child protective agency, or to the district attorney in a criminal prosecution or in an action initiated under Section 602 of the Welfare and Institutions Code arising from alleged child abuse, or to counsel appointed pursuant to Section 318 of the Welfare and Institutions Code, or to the county counsel or district attorney in an action initiated under Section 232 of the Civil Code or Section 300 of the Welfare and Institutions Code, or when those persons waive confidentiality, or by court order.

(d) Persons who may report pursuant to subdivision (d) of Section 11166 are not required to include their names.

SEC. 165. Section 591.4 of the Probate Code is amended to read:

591.4. The advice of proposed action shall be delivered personally or sent by first-class mail, or sent by airmail to any person residing outside the jurisdiction of the United States, to each person described in Section 591.3 at that person's last known address. The advice of proposed action shall state the name and mailing address of the executor or administrator and the action proposed to be taken, with a reasonably specific description of the action, and the date on or after which the proposed action is to be taken. The date shall not be less than 15 days after the personal delivery, or mailing, of the advice. The failure of the executor or administrator to comply with this section shall not affect the validity of the action so taken or the title to any property conveyed or transferred to bona fide purchasers and to third persons dealing in good faith with the executor or administrator who changed their position in reliance on the action, conveyance or transfer without notice of the failure of the executor or administrator to comply with this section. The receipt of the advice shall not prejudice the right of any person interested in the estate to have the court later review the action taken.

SEC. 166. Section 5003.2 of the Public Resources Code, as added by Chapter 1152 of the Statutes of 1979, is amended and renumbered to read:

5003.8. Notwithstanding any other provision of this code or of law and except as provided in the State Building Standards Law (Part 2.5 (commencing with Section 18901) of Division 13 of the Health and Safety Code), the director, the department, or the State Park and Recreation Commission shall not adopt nor publish a building standard, as defined in Section 18909 of the Health and Safety Code, unless Sections 18930, 18933, 18938, 18940, 18943, 18944, and 18945 of the Health and Safety Code are expressly excepted in the statute under which the authority to adopt rules, regulations, or orders is delegated. Any building standard adopted in violation of this section has no force or effect. Any building standard adopted before January 1, 1980, pursuant to this code and not expressly excepted by statute from those provisions of the State Building Standards Law shall remain in effect only until January 1, 1985, or until adopted, amended, or superseded by provisions published in the State Building Standards Code, whichever occurs sooner.

SEC. 167. Section 1202.1 of the Public Utilities Code is amended to read:

1202.1. In any proceeding under Section 1202, where the application to the commission states that the parties are not in agreement as to apportionment of costs, but the applicant is willing to advance the amount of money reasonably necessary to enable the respondent to complete the work to be done by it, the commission shall set the application for hearing as soon as its calendar permits on all of the following questions:

(a) The necessity for the project.

(b) The approval of the location and the engineering plans, including provisions for handling traffic during construction and the work to be performed by each party.

(c) The sum to be advanced by the applicant for the work to be done by the respondent. The commission shall render as promptly as possible an interim decision effective within 20 days on the questions, reserving for a later hearing and decision the question of apportionment of costs. The decision shall also order the respondent to proceed upon receipt of the sum to be advanced by the applicant without delay to perform the work to be done by the respondent, integrating the work with that of the applicant or its contractor in such manner that neither will unreasonably obstruct or delay the work of the other, to the end that the people of the state may have the use of the project at the earliest possible date.

In the event of the failure or refusal of the respondent to grant a right of entry to permit the applicant to proceed with the work to be performed by it or its contractor, the applicant may, pursuant to Section 19 of Article I of the Constitution, obtain an order of immediate possession in a court of competent jurisdiction if a condemnation action has previously been filed in that court, or file the action and

obtain an order of immediate possession in the event the action has not previously been filed. Upon obtaining the order, the applicant may proceed in the same manner as if a right of entry had been granted, and the respondent shall proceed with its own work and integrate it with that of the applicant or its contractor.

In the final decision apportioning costs, the commission shall credit the sum advanced by the applicant against the applicant's share of the costs. In the final decision, the commission shall also credit against the applicant's share of the costs any increases in those costs found by the commission to be directly attributable to the respondent's willful failure or refusal, after the effective date of the interim decision, to proceed with its own work or to integrate its work with that of the applicant or its contractor.

SEC. 168. Section 2705.5 of the Public Utilities Code is amended to read:

2705.5. Any person or corporation, and their lessees, receivers, or trustees appointed by any court, that maintains a mobilehome park or a multiple unit residential complex and provides, or will provide, water service to users through a submeter service system is not a public utility and is not subject to the jurisdiction, control, or regulation of the commission if each user of the submeter service system is charged at the rate which would be applicable if the user were receiving the water directly from the water corporation.

SEC. 169. Section 2726 of the Public Utilities Code is amended to read:

2726. As used in this chapter, "private irrigation plant" means a water system which is not operated by a mutual water company or by a public utility as defined in Part 1 (commencing with Section 201) or in Chapter 2 (commencing with Section 2701).

SEC. 170. Section 2778 of the Public Utilities Code is amended to read:

2778. Except as otherwise specified in this chapter, every electrical cooperative is subject to Part 1 (commencing with Section 201).

SEC. 171. Section 2907 of the Public Utilities Code is amended to read:

2907. "Railroad corporation," "street railroad corporation," "common carrier," "gas corporation," "electrical corporation," "telephone corporation," "telegraph corporation," "water corporation," "wharfinger," "warehouseman," and "public utility" have the same meaning as is given to them, respectively, in Part 1 (commencing with Section 201).

SEC. 172. Section 7801 of the Public Utilities Code is amended to read:

7801. Street railroads are governed by Chapter 1 (commencing with Section 7501), so far as it is applicable, unless street railroads are therein specially excepted.

SEC. 173. Section 21677 of the Public Utilities Code is amended to read:

21677. Notwithstanding Section 21676, any public agency in the

County of Marin may overrule the Marin County Airport Land Use Commission by a majority vote of its governing body.

SEC. 174. Section 22014 of the Public Utilities Code is amended to read:

22014. "Bond election" means an election provided for in Article 2 (commencing with Section 22731) of Chapter 5.

SEC. 175. Section 22015 of the Public Utilities Code is amended to read:

22015. "Formation election" means an election provided for in Article 4 (commencing with Section 22226) of Chapter 2.

SEC. 176. Section 22016 of the Public Utilities Code is amended to read:

22016. "Bond tax" means the tax levied pursuant to Chapter 6 (commencing with Section 22901) for the payment of the bonded indebtedness of the district.

SEC. 177. Section 29155 of the Public Utilities Code is amended to read:

29155. After receiving the reports, each board of supervisors shall fix a time and place for a public hearing to consider the reports. The time fixed for the hearing shall not be less than 30 days nor more than 60 days from the date the reports were received from the board.

SEC. 178. Section 29156 of the Public Utilities Code is amended to read:

29156. Within 15 days from the date of the public hearing held pursuant to Section 29155, each board of supervisors shall, by a resolution adopted by a majority vote of the board of supervisors, determine whether it approves the reports and shall file an executed copy of the resolution with the secretary of the district.

SEC. 179. Section 29157 of the Public Utilities Code is amended to read:

29157. If a majority of any board of supervisors does not approve the reports, the district may make additional studies and changes and may refer the amended reports to the board of supervisors of the counties comprising the district in order to obtain unanimous approval from the counties comprising the district. If no agreement is reached within a period of six months following the date the original reports were received from the board, any county not approving the reports may withdraw from the district under Chapter 10 (commencing with Section 29650), notwithstanding that, after that county's disapproval, the reports are withdrawn by the district. Failure of a county to withdraw from the district, within 30 days following the six-month period, has the same effect as approval by the board of supervisors of the county of the reports as last amended, unless the reports have been previously withdrawn by the district.

SEC. 180. Section 29212 of the Public Utilities Code is amended to read:

29212. Refunding general obligations may be issued and may be sold in accordance with Articles 2 (commencing with Section 29169) and 3 (commencing with Section 29200), except that no election

need be called or held for the purpose of authorizing the issuance of refunding bonds and the refunding bonds may be sold and the proceeds thereof applied to the redemption of bonds of indebtedness or may be exchanged at not less than their par value for the evidences of indebtedness to be refunded.

SEC. 181. Section 29751 of the Public Utilities Code is amended to read:

29751. The election, for the purpose of submitting to the voters of the district the question of whether or not the district shall be dissolved, shall be held within 60 days following the date on which it is ordered by the board or on which the petition is filed.

SEC. 182. Section 29752 of the Public Utilities Code is amended to read:

29752. Notice of any election for dissolution, whether called because of the filing of a petition or ordered by the board without petition, shall be published. The date fixed for the election shall not be less than 30 days from the date of the first publication of the notice.

SEC. 183. Section 30640 of the Public Utilities Code is amended to read:

30640. Upon the filing of a request for hearing as provided in Section 30639, the district board shall fix the time and place for hearing. The time fixed shall not be less than 15 days nor more than 60 days from the date the request is filed. Notice of the hearing shall be given to the county or city requesting the hearing, shall be mailed to the governing body of each city and county located, in whole or in part, within the district, and shall be published once by the board.

SEC. 184. Section 30645 of the Public Utilities Code is amended to read:

30645. Within 30 days after the conclusion of the hearing, the board shall render its decision, in writing, with written findings of fact. Copies of the findings and decision shall be sent immediately to the petitioners and intervenors by certified mail, postage prepaid.

SEC. 185. Section 30706 of the Public Utilities Code is amended to read:

30706. Unless the context otherwise requires, the definitions of the following terms shall apply to indebtedness under this part:

(a) "Any bond" or "any bonded indebtedness" means bonds or indebtedness of any kind or nature issued or authorized, respectively, pursuant to Chapter 7 (commencing with Section 30900).

(b) "Bond" means the bond authorized pursuant to Article 1 (commencing with Section 30900) of Chapter 7.

(c) "Limited tax bond" means the bond issued pursuant to Article 1.5 (commencing with Section 30920) of Chapter 7.

(d) "Revenue bond" means the bond issued pursuant to Article 2 (commencing with Section 30930) of Chapter 7.

(e) "Improvement district bond" means the bond issued pursuant to Article 5 (commencing with Section 30960) of Chapter 7.

(f) "Revenues" means any funds of the district, including transit

funds other than property taxes levied under Section 30802 and special taxes levied under Section 30820.

SEC. 186. Section 30900 of the Public Utilities Code is amended to read:

30900. Whenever the board deems it necessary for the district to incur a bonded indebtedness for the acquisition, construction, development, joint development, maintenance, operation, or repair of any or all improvements, works, property, or facilities, authorized by this part or necessary for, incidental to, or convenient for the carrying out of the powers of the district, or for any other purpose authorized by this part, including, without limitation, the refunding referred to in Chapter 8 (commencing with Section 31000), it shall, by ordinance, adopted by a vote of two-thirds of all members of the board, so declare and call an election to be held in the district for the purpose of submitting to the qualified voters thereof the proposition of incurring indebtedness by the issuance of bonds of the district. The ordinance shall state all of the following:

(a) The purposes for which the proposed debt is to be incurred, which may include all costs and estimated costs necessary or convenient for, incidental to, or connected with the accomplishment of those purposes, including, without limitation, engineering, inspection, legal, fiscal agents, financial consultant, and other fees, bond and other reserve funds, working capital, bond interest estimated to accrue during the construction period and for a period not to exceed three years thereafter, and expenses of all proceedings for the authorization, issuance, and sale of the bonds.

(b) The estimated cost of accomplishing those purposes.

(c) The amount of the principal of the indebtedness.

(d) The maximum term the bonds proposed to be issued shall run before maturity, which shall not exceed 50 years from the date thereof or the date of each series thereof.

(e) The maximum rate of interest to be paid, which shall not exceed the maximum rate allowed by law.

(f) The proposition to be submitted to the voters, which may include one or more purposes.

(g) The date of the election.

(h) The manner of holding the election and the procedure for voting for or against the measure.

(i) The ordinance may also contain any other matters authorized by this part or any other law.

SEC. 187. Section 30980 of the Public Utilities Code is amended to read:

30980. The district may bring an action to determine the validity of any of its bonds, equipment trust certificates, warrants, notes, or other evidences of indebtedness pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

SEC. 188. Section 271 of the Revenue and Taxation Code is amended to read:

271. (a) Provided that an appropriate application for exemption is filed on or before the first day of March of the calendar year next succeeding the calendar year in which the property was acquired, any tax or penalty or interest thereon—

(1) Imposed upon property owned by any organization qualified for the college, cemetery, church, religious, exhibition, veterans' organization, or welfare exemption which is acquired by such organization during a given calendar year, after the lien date but prior to the first day of the fiscal year commencing within that calendar year, when the property is of a kind which would have been qualified for the college, cemetery, church, religious, exhibition, veterans' organization, or welfare exemption if it had been owned by the organization on the lien date, shall be canceled or refunded;

(2) Imposed upon property owned by any organization which would have qualified for the college, cemetery, church, religious, exhibition, veterans' organization, or welfare exemption had the organization been in existence on the lien date, which was acquired by it during that calendar year after the lien date in that year but prior to the commencement of such fiscal year, and of a kind that presently qualifies for the exemption and that would have so qualified for such fiscal year had it been owned by the organization on the lien date and had the organization been in existence on the lien date, shall be canceled or refunded;

(3) Imposed upon property acquired after the beginning of any fiscal year by an organization qualified for the college, cemetery, church, religious, exhibition, veterans' organization, or welfare exemption and the property is of a kind which would have qualified for an exemption if it had been owned by the organization on the lien date, whether or not that organization was in existence on the lien date, shall be canceled or refunded in the proportion that the number of days for which the property was so qualified during the fiscal year bears to 365.

(b) Eighty-five percent of any tax or penalty or interest thereon imposed upon property which would be entitled to relief under subdivision (a) or Section 214.01, except that an appropriate application for exemption was not filed within the time required by the applicable provision, shall be canceled or refunded provided that an appropriate application for exemption is filed after the last day on which relief could be granted under subdivision (a) or Section 214.01.

(c) Notwithstanding subdivision (b), any tax or penalty or interest thereon exceeding two hundred fifty dollars ($250) in total amount shall be canceled or refunded provided it is imposed upon property entitled to relief under subdivision (b) for which an appropriate claim for exemption has been filed.

(d) With respect to property acquired after the beginning of the fiscal year for which relief is sought, subdivisions (b) and (c) shall apply only to that pro rata portion of any tax or penalty or interest thereon which would have been canceled or refunded had the prop-

erty qualified for relief under paragraph (3) of subdivision (a).

SEC. 189. Section 6203 of the Revenue and Taxation Code is amended to read:

6203. Except as provided by Sections 6292 and 6293, every retailer engaged in business in this state and making sales of tangible personal property for storage, use, or other consumption in this state, not exempted under Chapter 3.5 (commencing with Section 6271) or Chapter 4 (commencing with Section 6351), shall, at the time of making the sales or, if the storage, use, or other consumption of the tangible personal property is not then taxable hereunder, at the time the storage, use, or other consumption becomes taxable, collect the tax from the purchaser and give to the purchaser a receipt therefor in the manner and form prescribed by the board.

As respects leases constituting sales of tangible personal property, the tax shall be collected from the lessee at the time amounts are paid by the lessee under the lease.

"Retailer engaged in business in this state" as used in this and the preceding section means and includes any of the following:

(a) Any retailer maintaining, occupying, or using, permanently or temporarily, directly or indirectly, or through a subsidiary, or agent, by whatever name called, an office, place of distribution, sales or sample room or place, warehouse or storage place, or other place of business.

(b) Any retailer having any representative, agent, salesman, canvasser, or solicitor operating in this state under the authority of the retailer or its subsidiary for the purpose of selling, delivering, or the taking of orders for any tangible personal property.

(c) As respects a lease, any retailer deriving rentals from a lease of tangible personal property situated in this state.

SEC. 190. Section 6422.1 of the Revenue and Taxation Code is amended to read:

6422.1. The board may provide for exemption certificates and other tax clearance certificates to be issued by it or by retailers selling vehicles as defined in Article 1 (commencing with Section 6271) of Chapter 3.5, commercial coaches as defined in Section 18001.8 of the Health and Safety Code or mobilehomes as defined by Section 18008 of the Health and Safety Code. The certificates shall be used to allow a completion of registration of a vehicle by the Department of Motor Vehicles or a commercial coach or mobilehome by the Department of Housing and Community Development. The certificates may indicate that the board finds that no use tax is due or is likely to become due with respect to the storage, use, or other consumption of the vehicle, commercial coach, or mobilehome, or that the tax has been paid or is to be paid in a manner not requiring the withholding of a registration or transfer of registration. The certificates shall be in such form as the board may prescribe and shall be executed, issued and accepted for clearance of registration on such conditions as the board may prescribe. The issuance, alteration, forgery, or use of any such certificate in a manner contrary to the requirements of the

board constitutes a misdemeanor.

SEC. 191. Section 6932 of the Revenue and Taxation Code is amended to read:

6932. No suit or proceeding shall be maintained in any court for the recovery of any amount alleged to have been erroneously or illegally determined or collected unless a claim for refund or credit has been duly filed pursuant to Article 1 (commencing with Section 6901).

SEC. 192. Section 6933 of the Revenue and Taxation Code is amended to read:

6933. Within 90 days after the mailing of the notice of the board's action upon a claim filed pursuant to Article 1 (commencing with Section 6901), the claimant may bring an action against the board on the grounds set forth in the claim in a court of competent jurisdiction in any city or city and county of this state in which the Attorney General has an office for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.

Failure to bring action within the time specified constitutes a waiver of any demand against the state on account of alleged overpayments.

SEC. 193. Section 7710 of the Revenue and Taxation Code is amended to read:

7710. Any distributor against whom a determination is made by the board under Article 2 (commencing with Section 7660) and Article 2.5 (commencing with Section 7670) may petition for a redetermination within 30 days after the date the notice thereof is given to him. If a petition for redetermination is not filed within the 30-day period, the determination becomes final at the expiration of the period.

SEC. 194. Section 10910 of the Revenue and Taxation Code is amended to read:

10910. Any assessee, registered owner, legal owner, or junior lienholder of a manufactured home or mobilehome which has become subject to local property taxation because the license fee has been delinquent for 120 days or more may file a petition for reinstatement to the vehicle license fee in accordance with this article. That petition shall be filed with the Department of Housing and Community Development within 210 days of the date of delinquency. The petition shall state the grounds upon which the petition is filed and shall be in a form and contain that information which the Department of Housing and Community Development may prescribe. If the petition is not timely filed, the placement of the manufactured home or mobilehome on the local property tax roll shall become final.

SEC. 195. The heading of Article 7 (commencing with Section 18510) of Chapter 17 of Part 10 of Division 2 of the Revenue and Taxation Code, as added by Chapter 1278 of the Statutes of 1983, is amended and renumbered to read:

Article 7.5. Designations to United States Olympic Committee Fund

SEC. 196. Section 18510 of the Revenue and Taxation Code, as added by Chapter 1278 of the Statutes of 1983, is amended and renumbered to read:

18530. (a) Any taxpayer may designate on the tax return that a contribution in excess of the tax liability, if any, be made to the United States Olympic Committee Fund, which is hereby created. The contribution shall be in full dollar amounts and may be made individually by each signatory on a joint return.

(b) A designation under subdivision (a) shall be made with respect to any taxable year on the individual return for that taxable year, and once made shall be irrevocable. In the event that payments and credits reported on the return, together with any other credits associated with the taxpayer's account do not exceed the taxpayer's liability, if any, shown thereupon, the return shall be treated as though no designation had been made. Overpayments which are insufficient to satisfy the total amount designated shall be allocated among the designees on a pro rata basis. In the event a fund, person, or account which is not authorized by statute is designated or if no designee is specified, the contribution shall be transferred to the General Fund after reimbursement of the Franchise Tax Board and the Controller pursuant to Section 18512. The taxpayer shall be notified in cases where the discrepancy between the amount actually available for designation and the amount designated exceeds ten dollars ($10).

(c) The Franchise Tax Board shall design the forms and instructions to ensure effective administration of this article.

(d) No deduction shall be allowed under Article 6 (commencing with Section 17201) of Chapter 3 of Part 10 of Division 2 for any contribution made pursuant to subdivision (a).

SEC. 197. Section 18511 of the Revenue and Taxation Code, as added by Chapter 1278 of the Statutes of 1983, is amended and renumbered to read:

18531. (a) The Franchise Tax Board shall determine annually the total amount designated pursuant to this article and shall notify the Controller of the amounts to be transferred to the Contribution Fund, which is hereby created.

(b) The Controller shall transfer from the Contribution Fund to the United States Olympic Committee an amount not in excess of the sum of the amounts designated by individuals pursuant to subdivision (a).

SEC. 198. Section 18512 of the Revenue and Taxation Code, as added by Chapter 1278 of the Statutes of 1983, is amended and renumbered to read:

18532. Notwithstanding Section 13340 of the Government Code, all money transferred to the Contribution Fund is hereby continuously appropriated to the Controller, without regard to fiscal years,

for allocation as follows:

(a) To the Franchise Tax Board and the Controller for reimbursement of all costs incurred by the Franchise Tax Board and the Controller in connection with their duties under this article.

(b) To the United States Olympic Committee to carry out the functions and duties of that committee.

SEC. 199. Section 18512 of the Revenue and Taxation Code, as added by Chapter 1039 of the Statutes of 1983, is amended to read:

18512. Notwithstanding Section 13340 of the Government Code, all money transferred to the California Seniors' Fund pursuant to Section 18511 is hereby continuously appropriated, without regard to fiscal years, for allocation as follows:

(a) To the Franchise Tax Board for reimbursement of all costs incurred by the Franchise Tax Board in connection with its duties under this article.

(b) To the California Commission on Aging for allocation as follows:

(1) To the California Senior Legislature for the 1984 calendar year, and each succeeding calendar year thereafter, the sum of seventy-five thousand dollars ($75,000), or the balance of the fund if less than that amount remains in the fund, for the conduct of sessions of the California Senior Legislature.

(2) The balance, if any, but not to exceed two hundred fifty thousand dollars ($250,000), to the California Senior Legislature in any calendar year for its ongoing activities on behalf of older persons.

(3) The balance, if any, to the commission for senior citizen direct service programs through contracts with the Department of Aging and Long-Term Care.

SEC. 200. Section 18513 of the Revenue and Taxation Code, as added by Chapter 1278 of the Statutes of 1983, is amended and renumbered to read:

18533. This article applies to taxes paid and refunds payable for the 1983 tax year and taxable years thereafter.

SEC. 201. Section 1500 of the Vehicle Code is amended to read:

1500. There is in the Business, Transportation and Housing Agency the Department of Motor Vehicles.

SEC. 202. Section 2100 of the Vehicle Code is amended to read:

2100. There is in the Business, Transportation and Housing Agency the Department of the California Highway Patrol.

SEC. 203. Section 2109 of the Vehicle Code is amended to read:

2109. The commissioner shall organize the department with the approval of the Governor and the Secretary of the Business, Transportation and Housing Agency and may arrange and classify the work of the department and may, with the approval of the Governor and the Secretary of the Business, Transportation and Housing Agency, create or abolish divisions thereof.

SEC. 204. Section 2901 of the Vehicle Code is amended to read:

2901. The Governor may appoint a highway safety representative who shall serve in the Business, Transportation and Housing

Agency and who shall, in consultation with the Governor and Secretary of the Business, Transportation and Housing Agency, prepare the California Traffic Safety Program. The Governor is responsible for the administration of the program, and has final approval of all phases of the program, and may take all action necessary to secure the full benefits available to the program under the Federal Highway Safety Act of 1966, and any amendments thereto. The highway safety representative serves at the pleasure of the secretary.

SEC. 205. Section 4300.5 of the Vehicle Code is amended to read:

4300.5. An application for registration under this chapter of a vehicle previously registered outside of this state shall be accompanied by payment of the amount required to be paid under Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code with respect to the use of the vehicle by the applicant.

SEC. 206. Section 9853.2 of the Vehicle Code is amended to read:

9853.2. The owner shall paint on or attach to each side of the forward half of the vessel the identification number in such manner as may be prescribed by rules and regulations of the department in order that it may be clearly visible. Any such rules and regulations shall be developed in cooperation with the Department of Boating and Waterways. The number shall be maintained in a legible condition. The certificate of number shall be pocket size and shall be available at all times for inspection on the vessel for which issued, whenever the vessel is in use, except as to those vessels subject to Section 9853.3.

SEC. 207. Section 16250 of the Vehicle Code is amended to read:

16250. As used in this chapter and Chapter 3 (commencing with Section 16430), "judgment" means a final judgment of any court of competent jurisdiction in this or any other state or of the United States against a person as defendant upon a cause of action.

SEC. 208. Section 16251 of the Vehicle Code is amended to read:

16251. As used in this chapter and Chapter 3 (commencing with Section 16430), "cause of action" means any cause of action for damage to property in excess of five hundred dollars ($500) or for damage in any amount on account of bodily injury to or death of any person resulting from the operation by the defendant or any other person of any motor vehicle upon a highway, except a cause of action based upon statutory liability by reason of signing the application of a minor for a driver's license.

SEC. 209. Section 17702 of the Vehicle Code is amended to read:

17702. If a minor under the age of 18 years is married, the application may be signed and verified by the adult spouse of the minor or by the parents of either spouse or in lieu of the signature, the minor may file proof of ability to respond in damages as provided in Article 1 (commencing with Section 16430) of Chapter 3 of Division 7.

SEC. 210. Section 17703 of the Vehicle Code is amended to read:

17703. If the person or persons required to sign and verify the application of a minor are not residents of this state, the application shall be signed and verified by a person residing within this state who

has custody of the minor, or the department may accept an application signed and verified by the minor and accompanied by proof of ability to respond in damages, as provided in Article 1 (commencing with Section 16430) of Chapter 3 of Division 7.

SEC. 211. The heading of Article 3 (commencing with Section 42050) of Chapter 1 of Division 18 of the Vehicle Code is repealed.

SEC. 212. Section 4177 of the Water Code is amended to read:

4177. Every person who violates any of the provisions of this chapter or of Chapter 4 (commencing with Section 4100) is guilty of a misdemeanor and is punishable by a fine of not less than fifty dollars ($50) nor more than five hundred dollars ($500), or by imprisonment in the county jail for not less than 10 days nor more than six months, or by both such fine and imprisonment.

SEC. 213. Section 4178 of the Water Code is amended to read:

4178. A watermaster may arrest any person violating any of the provisions of this chapter or of Chapter 4 (commencing with Section 4100) and to deliver the person to the sheriff or other competent police officer within the county, and immediately thereafter file a complaint with a magistrate against the person so arrested.

SEC. 214. Section 31029 of the Water Code is amended to read:

31029. After the publication or posting of any ordinance as provided in Section 31027, it is a misdemeanor for any person to use or apply water received from the district contrary to or in violation of the restriction or prohibition, until the ordinance has been repealed or the emergency or threatened emergency has ceased, and, upon conviction thereof, that person shall be punished by imprisonment in the county jail for not more than 30 days or by fine of not more than six hundred dollars ($600), or by both the fine and imprisonment.

SEC. 215. Section 31142 of the Water Code is amended to read:

31142. After the posting or publication of any ordinance as provided in Section 31141, it is a misdemeanor for any person to violate any ordinance of the district adopted pursuant to Section 31141, and, upon conviction thereof, that person shall be punished by being imprisonment in the county jail for not more than 30 days, or by fine of not more than six hundred dollars ($600), or by both the fine and imprisonment.

SEC. 216. Section 321 of the Welfare and Institutions Code is amended to read:

321. When a hearing is held under the provisions of this article and no parent or guardian of the minor is present and no parent or guardian has had actual notice of the hearing, a parent or guardian of the minor may file an affidavit setting forth the facts with the clerk of the juvenile court and the clerk shall immediately set the matter for rehearing at a time within 24 hours, excluding Sundays and nonjudicial days from the filing of the affidavit. Upon the rehearing, the court shall proceed in the same manner as upon the original hearing.

If the minor, a parent or guardian or the minor's attorney or guardian ad litem, if either one or the other has been appointed by the

court, requests evidence of the prima facie case, a rehearing shall be held within three judicial days to consider evidence of the prima facie case. If the prima facie case is not established, the minor shall be released from detention.

In lieu of a requested rehearing, the court may set the matter for trial within 10 days.

When the court ascertains that the rehearing cannot be held within three judicial days because of the unavailability of a witness, a reasonable continuance may be granted for a period not to exceed five judicial days.

SEC. 217. The heading of Chapter 5 (commencing with Section 13000) of Part 3 of Division 9 of the Welfare and Institutions Code, as added by Chapter 3 of the Statutes of 1981–82, First Extraordinary Session, is amended and renumbered to read:

CHAPTER 6. SOCIAL SERVICES

SEC. 218. Section 13000 of the Welfare and Institutions Code, as added by Chapter 69 of the Statutes of 1981, is amended and renumbered to read:

12700. There is in the State Treasury a permanent revolving fund, in the amount of one hundred fifty thousand dollars ($150,000), to be known as the Revolving Loan Fund, and to be administered by the department. The fund shall be used to make loans to recipients of aid under this chapter or aid to the aged, blind, or disabled due to blindness under Chapter 3 (commencing with Section 12000), at a rate of interest not to exceed 3 percent per year, to enable those recipients to establish themselves in businesses, professions, or other gainful employment, including, but not limited to self-employment or to assist those already engaged in such endeavors. No loan in excess of fifteen thousand dollars ($15,000) shall be made to any individual under this section.

The department shall establish through the Office of Services to the Blind the terms and conditions of loans made pursuant to this section, and shall prescribe the procedure to be followed in making application for such loans. All funds received in repayment of loans made pursuant to this section shall be deposited in the Revolving Loan Fund, and shall be available for the making of additional loans as provided in this section.

The collection procedures appropriate to the purposes and objectives of the loan fund shall be prescribed by the Office of Services to the Blind.

In no event shall the amount expended in any fiscal year from the Revolving Loan Fund exceed the amount saved by the state as a result of discontinuance of aid due to the earnings of persons during the preceding fiscal year.

SEC. 219. Chapter 447 of the Statutes of 1971 is repealed.

SEC. 220. Section 30 of this act, which would add Section 8183 to the Fish and Game Code, shall not become operative unless Section

39 of this act, which would repeal Section 8183 of the Food and Agricultural Code, becomes operative.

SEC. 221. Any section of any act enacted by the Legislature during the 1984 calendar year, which takes effect on or before January 1, 1985, and which amends, amends and renumbers, adds, repeals and adds, or repeals a section amended, amended and renumbered, repealed and added, or repealed by this act, shall prevail over this act, whether that act is enacted prior to or subsequent to this act.

CHAPTER 145

An act to amend Section 400 of the Code of Civil Procedure, relating to civil procedure.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 400 of the Code of Civil Procedure is amended to read:

400. When an order is made by the superior court granting or denying a motion to change the place of trial, the party aggrieved by such order may, within 30 days after service of a written notice of the order, petition the court of appeal for the district in which the court granting or denying the motion is situated for a writ of mandate requiring trial of the case in the proper court. The petitioner shall file a copy of such petition in the trial court immediately after the petition is filed in the court of appeal. The court of appeal may stay all proceedings in the case, pending judgment on the petition becoming final. The clerk of the court of appeal shall file with the clerk of the trial court, a copy of any final order or final judgment immediately after such order or judgment becomes final.

CHAPTER 146

An act to add Section 7277 to the Government Code, relating to the purchase of real property by a public entity.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 7277 is added to the Government Code, to read:

7277. (a) This chapter shall not apply to a purchase of property

which is offered for sale by the owner, property being sold at execution or foreclosure sale, or property being sold pursuant to court order or under court supervision if the property in any of the foregoing situations is either occupied by the owner or is unoccupied, and if the offer for sale is not induced by public entity disposition, planned condemnation, or redevelopment of surrounding lands, and if the sales price is fair market value or less, as determined by a qualified appraiser, and if no federal funds are involved in the acquisition, construction, or project development. "Offered for sale" means either advertised for sale in a publication of general circulation published at least once a week or listed with a licensed real estate broker and published in a multiple listing, pursuant to Section 1087 of the Civil Code.

(b) At the time of making an offer to acquire property under subdivision (a), public entities shall notify the property owner in writing, of the following:

(1) The public entity's plans for developing the property to be acquired or the surrounding property.

(2) Any relocation assistance and benefits provided pursuant to state law which the property owner may be forgoing.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the Legislature finds and declares that there are savings as well as costs in this act which, in the aggregate, do not result in additional net costs.

CHAPTER 147

An act to amend Sections 33032, 33320.1, 33328, 33352, 33353, 33353.4, 33353.5, 33354.6, 33367, 33401, 33445, and 33676 of, to add Sections 33333.3, 33344.5, and 33353.3 to, and to add and repeal Section 33012 of, the Health and Safety Code, relating to redevelopment.

[Approved by Governor May 31, 1984 Filed with Secretary of State May 31, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 33012 is added to the Health and Safety Code, to read:

33012. "Financial burden or detriment" means either of the following:

(a) A net increase in the quality or quantity of a service of the affected taxing entity caused by the redevelopment project.

(b) A loss of property tax revenues by the affected taxing entity produced by a change of ownership or new construction which

would have been received, or was reasonably expected to have been received, by the taxing entity if the redevelopment project was not established.

The division of taxes pursuant to Section 33670, by itself, shall not constitute a financial burden or detriment.

This section shall remain in effect only until January 1, 1987, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1987, deletes or extends that date.

SEC. 2. Section 33032 of the Health and Safety Code is amended to read:

33032. A blighted area is characterized by properties which suffer from economic dislocation, deterioration, or disuse because of one or more of the following factors which cause a reduction of, or lack of, proper utilization of the area to such an extent that it constitutes a serious physical, social, or economic burden on the community which cannot reasonably be expected to be reversed or alleviated by private enterprise acting alone:

(a) The subdividing and sale of lots of irregular form and shape and inadequate size for proper usefulness and development.

(b) The laying out of lots in disregard of the contours and other topography or physical characteristics of the ground and surrounding conditions.

(c) The existence of inadequate public improvements, public facilities, open spaces, and utilities which cannot be remedied by private or governmental action without redevelopment.

(d) A prevalence of depreciated values, impaired investments, and social and economic maladjustment.

SEC. 2.5. Section 33320.1 of the Health and Safety Code is amended to read:

33320.1. "Project area" means, except as provided in Section 33320.2, a predominantly urbanized area of a community which is a blighted area, the redevelopment of which is necessary to effectuate the public purposes declared in this part, and which is selected by the planning commission pursuant to Section 33322.

As used in this section, "predominantly urbanized" means that not less than 80 percent of the privately owned property in the project area has been or is developed for urban uses, is characterized by the conditions described in subdivision (a) or (b) of Section 33032, or is an integral part of an area developed for urban uses. For the purposes of this section, a parcel of property as shown on the official maps of the county assessor is developed if that parcel is developed in a manner which is either consistent with zoning or is otherwise permitted under law. For the purposes of this section, if property is acquired by the community less than 180 days prior to the date of adoption of the survey area resolution and is not dedicated or devoted to a public use on the date the survey area resolution is adopted, that property shall be deemed privately owned property.

The requirement that a project be predominantly urbanized shall apply only to a project area for which a final redevelopment plan is

adopted on or after January 1, 1984. If any redevelopment plan is amended to add land to a project area, which amendment is adopted on or after January 1, 1984, the requirement that a project area be predominantly urbanized shall apply to the project area as amended. However, only the validity of the amendment adding the land to the project area shall be the subject of any action challenging the validity or consistency of the project area, as amended, to comply with the requirements imposed by this section.

SEC. 3. Section 33328 of the Health and Safety Code is amended to read:

33328. When it transmits the map of the project area to the county officials, taxing agencies, and the State Board of Equalization pursuant to Section 33327, the redevelopment agency shall also advise those officials and agencies of the last equalized assessment roll it proposes to use for the allocation of taxes that will comply with Sections 33670 and 33670.5. That roll shall be known and referred to as the base year assessment roll. The county officials charged with the responsibility of allocating taxes under Sections 33670 and 33670.5 shall prepare and deliver to the redevelopment agency and each of the taxing agencies, a report which shall include all of the following:

(a) The total assessed valuation of all taxable property within the project area as shown on the base year assessment roll.

(b) The identifications of each taxing agency levying taxes in the project area.

(c) The amount of tax revenue to be derived by each taxing agency from the base year assessment roll from the project area, including state subventions for homeowners, business inventory, and similar subventions.

(d) For each taxing agency, its total ad valorem tax revenues from all property within its boundaries, whether inside or outside the project area.

(e) The estimated first year taxes available to the redevelopment agency, if any, based upon information submitted by the redevelopment agency, broken down by taxing agencies.

(f) The assessed valuation of the project area for the preceding year, or, if requested by the redevelopment agency, for the preceding five years, except for state assessed property on the board roll. However, in preparing this information, the requirements of Section 33670.5 shall be observed. The assessed value shall be reported by block if the property is divided by blocks, or by any other geographical area as may be agreed upon by the agency and county officials.

The report shall be prepared and delivered to the redevelopment agency and each of the taxing agencies within 60 days of the date of filing by the redevelopment agency with the State Board of Equalization or as otherwise agreed upon by the agency and the State Board of Equalization, unless the redevelopment agency requests the assessed valuation for the preceding five years, in which case the report shall be prepared and delivered within 90 days. If the

proposed base year assessment roll has not yet been equalized at the time of the receipt of that advice, then the report shall be prepared and delivered within 60 days, or other period, otherwise agreed upon, by the agency and the State Board of Equalization, from the date set forth in Section 2052 of the Revenue and Taxation Code, unless the agency requests the assessed valuation for the preceding five years, in which case, the report shall be prepared and delivered within 90 days.

If the filing does not comply with the requirements of Section 33327, the State Board of Equalization or the official of the taxing agency entitled to receive those documents shall notify the filing agency within 10 days, stating the manner in which the filing of documents does not comply with this section. If no notice is given it shall be conclusively presumed that the agency has complied with the provisions of this section.

If the report is not received within the time prescribed by this section, the redevelopment agency may proceed with the adoption of the redevelopment plan. The county officials may transmit a partial report, and any final report or additional information, if received by the agency prior to the close of the public hearing on the redevelopment plan, shall become part of the record of the public hearing.

The State Board of Equalization and officials of all taxing agencies shall provide the county officials preparing the report with all information necessary for its preparation. All data and information upon which the report is based shall be available to the agency to the extent permitted by law.

Prior to the publication of notice of the legislative body's public hearing on the plan, the agency shall consult with each taxing agency which levies taxes, or for which taxes are levied, on property in the project area with respect to the plan and to the allocation of taxes pursuant to Section 33670.

SEC. 4. Section 33333.3 is added to the Health and Safety Code, to read:

33333.3. The redevelopment agency shall send a notice of preparation to each affected taxing entity, as defined in Section 33353.2, and a copy of a draft environmental impact report to each affected taxing entity and the fiscal review committee, if one is created, prepared in accordance with the provisions of the California Environmental Quality Act, Division 13 (commencing with Section 21000) of the Public Resources Code, and regulations adopted pursuant thereto. In the event a fiscal review committee is created, the draft environmental impact report shall be sent to the fiscal review committee prior to the time, or at the same time, that the redevelopment plan is sent to the chairperson of the fiscal review committee pursuant to Section 33353.4.

SEC. 5. Section 33344.5 is added to the Health and Safety Code, to read:

33344.5. After receiving the report prepared pursuant to Section

33328, or after the time period for preparation of that report has passed, a redevelopment agency, which includes a provision for the division of taxes pursuant to Section 33670 in the redevelopment plan, shall prepare and send to each affected taxing entity, as defined in Section 33353.2, a preliminary report which shall contain all of the following:

(a) The reasons for the selection of the project area.

(b) A description of the physical, social, and economic conditions existing in the project area.

(c) A preliminary assessment of the proposed method of financing the redevelopment of the project area, including an assessment of the economic feasibility of the project and the reasons for including a provision for the division of taxes pursuant to Section 33670 in the redevelopment plan.

(d) A description of the specific project or projects then proposed by the agency in the project area in sufficient detail and specificity to permit the fiscal review committee, if one is created, to review the potential impacts of the proposed project.

(e) A description of how the project or projects to be pursued by the agency in the project area will improve or alleviate the conditions described in subdivision (b).

SEC. 6. Section 33352 of the Health and Safety Code is amended to read:

33352. Every redevelopment plan submitted by the agency to the legislative body shall be accompanied by a report containing all of the following:

(a) The reasons for the selection of the project area, a description of the specific projects then proposed by the agency, a description of how these projects will improve or alleviate the conditions described in subdivision (b), and, if public improvements are to be made by the agency, an explanation of why the public improvements cannot be reasonably expected to be accomplished by private enterprise acting alone.

(b) A description of the physical, social, and economic conditions existing in the area.

(c) The proposed method of financing the redevelopment of the project area in sufficient detail so that the legislative body may determine the economic feasibility of the plan.

(d) A method or plan for the relocation of families and persons to be temporarily or permanently displaced from housing facilities in the project area, which method or plan shall include the provision required by Section 33411.1 that no persons or families of low and moderate income shall be displaced unless and until there is a suitable housing unit available and ready for occupancy by the displaced person or family at rents comparable to those at the time of their displacement.

(e) An analysis of the preliminary plan.

(f) The report and recommendations of the planning commission.

(g) The summary referred to in Section 33387.

(h) The report required by Section 65402 of the Government Code.

(i) The report required by Section 21151 of the Public Resources Code.

(j) The report of the county fiscal officer as required by Section 33328.

(k) The report of the fiscal review committee, if any.

(*l*) If the project area contains low- or moderate-income housing, a neighborhood impact report which describes in detail the impact of the project upon the residents of the project area and the surrounding areas, in terms of relocation, traffic circulation, environmental quality, availability of community facilities and services, effect on school population and quality of education, property assessments and taxes, and other matters affecting the physical and social quality of the neighborhood. The neighborhood impact report shall also include all of the following:

(1) The number of dwelling units housing persons and families of low or moderate income expected to be destroyed or removed from the low- and moderate-income housing market as part of a redevelopment project.

(2) The number of persons and families of low or moderate income expected to be displaced by the project.

(3) The general location of housing to be rehabilitated, developed, or constructed pursuant to Section 33413.

(4) The number of dwelling units housing persons and families of low or moderate income planned for construction or rehabilitation, other than replacement housing.

(5) The projected means of financing the proposed dwelling units for housing persons and families of low and moderate income planned for construction or rehabilitation.

(6) A projected timetable for meeting the plan's relocation, rehabilitation, and replacement housing objectives.

(m) An analysis by the agency of the report submitted by the county as required by Section 33328, which shall include a summary of the consultation of the agency, or attempts to consult by the agency, with each of the taxing agencies as required by Section 33328; and an analysis by the agency of the report of the fiscal review committee, if any, which shall include the agency's response to the report of the fiscal review committee, additional information, if any, and, at the discretion of the agency, proposed mitigation measures.

SEC. 7. Section 33353 of the Health and Safety Code is amended to read:

33353. In connection with the preparation of a redevelopment plan utilizing tax increment financing, the county or any affected taxing entity may call for the creation of a fiscal review committee, within 15 days after receipt of the preliminary report from the agency pursuant to Section 33344.5. If an affected taxing entity calls for the creation of a fiscal review committee, it shall notify the agency at the same time that it takes that action.

SEC. 8. Section 33353.3 is added to the Health and Safety Code, to read:

33353.3. Within 15 days after receiving notification that a fiscal review committee has been created, and prior to sending a redevelopment plan to the fiscal review committee, the agency shall commence consultations with the fiscal review committee regarding the impact of the proposed redevelopment project upon the affected taxing entities. The purpose of the consultations shall be to identify the fiscal effects of the proposed redevelopment plan upon the affected taxing entities, specify additional information, if any, needed to enable those fiscal effects to be identified and analyzed, and suggest possible provisions in the redevelopment plan which would alleviate or eliminate a financial burden or detriment.

SEC. 9. Section 33353.4 of the Health and Safety Code is amended to read:

33353.4. In the event a fiscal review committee is created pursuant to Section 33353, the redevelopment agency shall send the redevelopment plan to the chairperson of the fiscal review committee. The chairperson of the fiscal review committee shall convene the fiscal review committee with all due dispatch, and hold a hearing not less than 25, and not more than 40, days from the receipt of the plan. The hearing may be continued by the fiscal review committee but shall be completed within 15 days from the date of the initial hearing unless the agency and the fiscal review committee agree to an additional period of time.

SEC. 10. Section 33353.5 of the Health and Safety Code is amended to read:

33353.5. In the event a fiscal review committee is created pursuant to Section 33353, the fiscal review committee shall analyze and report to the agency, within 30 days of the conclusion of the hearing held pursuant to Section 33353.4, on the fiscal impact of the redevelopment plan or the amendment to the redevelopment plan on each of the members of the fiscal review committee, including a determination whether the redevelopment plan or amendment will have either a beneficial effect or a financial burden or detriment upon one or more members of the fiscal review committee. This analysis shall be based upon all of the following information:

(1) The preliminary report prepared pursuant to Section 33344.5.

(2) The redevelopment plan or amendment.

(3) The draft environmental impact report prepared pursuant to Section 33333.3

(4) Information derived from the consultations between the agency and fiscal review committee pursuant to Section 33353.4.

(5) Information derived from the hearing held by the fiscal review committee pursuant to Section 33353.4.

(6) The report prepared pursuant to Section 33328.

(7) Any additional information developed by the fiscal review committee.

(b) If the report of the fiscal review committee concludes that the

redevelopment plan will cause a financial burden or detriment upon one or more members of the fiscal review committee, the report shall specifically describe that fiscal burden or detriment and shall contain evidence supporting that conclusion.

(c) If the report of the fiscal review committee concludes that the redevelopment plan will cause a financial burden or detriment upon one or more members of the fiscal review committee, the report may include recommended actions to be implemented by the agency which would alleviate or eliminate the financial burden or detriment, including, but not limited to, the following:

(1) Amendments to the redevelopment plan which would:

(A) Modify the total amount of tax increments to be received by the redevelopment agency.

(B) Modify the duration of the redevelopment plan.

(C) Modify the size of the project area.

(D) Modify, in kind or number, specific projects then proposed to be undertaken by the agency.

(E) Include specific actions or projects to be undertaken by the agency which would reduce or eliminate the detrimental fiscal effect upon the members of the fiscal review committee.

(2) Payments by the agency to a member of the fiscal review committee authorized by Section 33401.

SEC. 11. Section 33354.6 of the Health and Safety Code is amended to read:

33354.6. Where an agency proposes to amend a redevelopment plan which utilizes tax increment financing to add new territory to the project area, to increase either the limitation on the number of dollars to be allocated to the redevelopment agency or the time limit on the establishing of loans, advances, and indebtedness established pursuant to subdivisions (1) and (2) of Section 33333.2, to lengthen the period during which the redevelopment plan is effective, to merge project areas, or to add significant additional capital improvement projects, as determined by the agency, the agency shall follow the same procedure, and the legislative body is subject to the same restrictions as provided for in this article for the adoption of a plan.

SEC. 12. Section 33367 of the Health and Safety Code is amended to read:

33367. The ordinance shall contain all of the following:

(a) The purposes and intent of the legislative body with respect to the project area.

(b) The plan incorporated by reference.

(c) A designation of the approved plan as the official redevelopment plan of the project area.

(d) The findings and determinations of the legislative body that:

(1) The project area is a blighted area, the redevelopment of which is necessary to effectuate the public purposes declared in this part.

(2) The redevelopment plan would redevelop the area in

conformity with this part and in the interests of the public peace, health, safety, and welfare.

(3) The adoption and carrying out of the redevelopment plan is economically sound and feasible.

(4) The redevelopment plan conforms to the general plan of the community.

(5) The carrying out of the redevelopment plan would promote the public peace, health, safety, and welfare of the community and would effectuate the purposes and policy of this part.

(6) The condemnation of real property, if provided for in the redevelopment plan, is necessary to the execution of the redevelopment plan and adequate provisions have been made for payment for property to be acquired as provided by law.

(7) The agency has a feasible method or plan for the relocation of families and persons displaced from the project area, if the redevelopment plan may result in the temporary or permanent displacement of any occupants of housing facilities in the project area.

(8) There are, or are being provided, in the project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and persons displaced from the project area, decent, safe, and sanitary dwellings equal in number to the number of and available to the displaced families and persons and reasonably accessible to their places of employment.

(9) All noncontiguous areas of a project area are either blighted or necessary for effective redevelopment and are not included for the purpose of obtaining the allocation of taxes from the area pursuant to Section 33670 without other substantial justification for their inclusion.

(10) Inclusion of any lands, buildings, or improvements which are not detrimental to the public health, safety, or welfare is necessary for the effective redevelopment of the area of which they are a part; that any area included is necessary for effective redevelopment and is not included for the purpose of obtaining the allocation of tax increment revenues from the area pursuant to Section 33670 without other substantial justification for its inclusion.

(11) The elimination of blight and the redevelopment of the project area could not be reasonably expected to be accomplished by private enterprise acting alone without the aid and assistance of the agency.

(12) The effect of tax increment financing will not cause a significant financial burden or detriment on any taxing agency deriving revenues from a project area. This finding shall only be required when the project is financed in part or in whole from revenues derived from the allocation of taxes pursuant to Section 33670.

(e) A statement that the legislative body is satisfied that permanent housing facilities will be available within three years

from the time occupants of the project area are displaced and that pending the development of the facilities, there will be available to the displaced occupants adequate temporary housing facilities at rents comparable to those in the community at the time of their displacement.

SEC. 13. Section 33401 of the Health and Safety Code is amended to read:

33401. (a) The agency may in any year during which it owns property in a redevelopment project pay directly to any city, county, city and county, district, including, but not limited to, a school district, or other public corporation for whose benefit a tax would have been levied upon the property had it not been exempt, an amount of money in lieu of taxes.

A proportionate share of any amount of money paid by an agency to any city and county pursuant to this subdivision shall be disbursed by the city and county to any school district with territory located within a redevelopment project area in the city and county. "Proportionate share," as used in this section, means the ratio of the school district tax rate, which is included in the total tax rate of the city and county, to the total tax rate of the city and county.

(b) The agency may also pay to any taxing agency with territory located within a project area other than the community which has adopted the project, any amounts of money which the agency has found are necessary and appropriate to alleviate any financial burden or detriment caused to any taxing agency by a redevelopment project. The payments to a taxing agency in any single year shall not exceed the amount of property tax revenues which would have been received by that taxing agency if all the property tax revenues from the project area had been allocated to all the affected taxing agencies without regard to the division of taxes required by Section 33670, except that a greater payment may be established by agreement between the agency and one or more taxing agencies, except a school district, if the other taxing agencies agree to defer payments for one or more years in order to accomplish the purposes of the project at an earlier time than would otherwise be the case. The amount of any greater payments shall not exceed the amount of payment deferred. The payments shall be approved by a resolution, adopted by the redevelopment agency, which shall contain findings, supported by substantial evidence, that the redevelopment project will cause or has caused a financial burden or detriment to the taxing agency and that the payments are necessary to alleviate the financial burden or detriment.

The requirement that the agency may make payments to a taxing entity only to alleviate a financial burden or detriment, as defined in Section 33012, and only after approval by a resolution which contains specified findings, shall apply only to payments made by an agency pursuant to an agreement between an agency and a taxing entity which is executed by the agency on or after the effective date of amendments to this section enacted by the Statutes of 1984.

SEC. 14. Section 33445 of the Health and Safety Code is amended to read:

33445. Notwithstanding the provisions of Section 33440, an agency may, with the consent of the legislative body, pay all or part of the value of the land for and the cost of the installation and construction of any building, facility, structure, or other improvement which is publicly owned either within or without the project area, if the legislative body determines both of the following:

(1) That the buildings, facilities, structures, or other improvements are of benefit to the project area or the immediate neighborhood in which the project is located, regardless of whether the improvement is within another project area, or in the case of a project area in which substantially all of the land is publicly owned that the improvement is of benefit to an adjacent project area of the agency.

(2) That no other reasonable means of financing such buildings, facilities structures, or other improvements, are available to the community.

Those determinations by the agency and the local legislative body shall be final and conclusive. For redevelopment plans, and amendments to those plans which add territory to a project, adopted after October 1, 1976, acquisition of property and installation or construction of each facility shall be provided for in the redevelopment plan. A redevelopment agency shall not pay for the normal maintenance or operations of buildings, facilities, structures, or other improvements which are owned by the community. Normal maintenance or operations do not include the construction, expansion, addition to, or reconstruction of, buildings, facilities, structures, or other improvements owned by the community otherwise undertaken pursuant to this section.

When the value of the land or the cost of the installation and construction of the building, facility, structure, or other improvement, or both, has been, or will be, paid or provided for initially by the community or other public corporation, the agency may enter into a contract with the community or other public corporation under which it agrees to reimburse the community or other public corporation for all or part of the value of the land or all or part of the cost of the building, facility, structure, or other improvement, or both, by periodic payments over a period of years.

The obligation of the agency under the contract shall constitute an indebtedness of the agency for the purpose of carrying out the redevelopment project for the project area, which indebtedness may be made payable out of taxes levied in the project area and allocated to the agency under subdivision (b) of Section 33670, or out of any other available funds.

In a case where the land has been or will be acquired by, or the cost of the installation and construction of the building, facility, structure or other improvement has been paid by, a parking authority, joint powers entity, or other public corporation to provide

a building, facility, structure, or other improvement which has been or will be leased to the community, the contract may be made with, and the reimbursement may be made payable to, the community.

With respect to the financing, acquisition, or construction of a transportation, collection, and distribution system and related peripheral parking facilities, in a county with a population of 4,000,000 persons or more, the agency shall, in order to exercise the powers granted by this section, enter into an agreement with the rapid transit district which includes the county, or a portion thereof, in which agreement the rapid transit district shall be given all of the following responsibilities:

(a) To participate with the other parties to the agreement to design, determine the location and extent of the necessary rights-of-way for, and construct, the transportation, collection, and distribution systems and related peripheral parking structures and facilities.

(b) To operate and maintain the transportation, collection, and distribution systems and related peripheral parking structures and facilities in accordance with the rapid transit district's outstanding agreements and the agreement required by this paragraph.

SEC. 15. Section 33676 of the Health and Safety Code is amended to read:

33676. (a) Prior to the adoption by the legislative body of a redevelopment plan providing for tax-increment financing pursuant to Section 33670, and unless an agreement is entered into or payments are otherwise distributed by the agency in accordance with Section 33401, any affected taxing agency may elect, and every school and community college district shall elect, to be allocated, in addition to the portion of taxes allocated to the affected taxing agency pursuant to subdivision (a) of Section 33670, all or any portion of the tax revenues allocated to the agency pursuant to subdivision (b) of Section 33670 attributable to one or both of the following:

(1) Increases in the rate of tax imposed for the benefit of the taxing agency which levy occurs after the tax year in which the ordinance adopting the redevelopment plan becomes effective.

(2) Increases in the assessed value of the taxable property in the redevelopment project area, as the assessed value is established by the assessment roll last equalized prior to the effective date of the ordinance adopting the redevelopment plan pursuant to subdivision (a) of Section 33670, which are, or otherwise would be, calculated annually pursuant to subdivision (f) of Section 110.1 of the Revenue and Taxation Code.

(b) The governing body of any affected taxing agency electing to receive allocation of taxes pursuant to this section in addition to taxes allocated to it pursuant to subdivision (a) of Section 33670 shall adopt a resolution to that effect and transmit the same, prior to the adoption of the redevelopment plan, to (1) the legislative body, (2) the agency, and (3) the official or officials performing the functions of levying and collecting taxes for the affected taxing agency. Upon

receipt by the official or officials of the resolution, allocation of taxes pursuant to this section to the affected taxing agency which has elected to receive the allocation pursuant to this section by the adoption of the resolution shall be made at the time or times allocations are made pursuant to subdivision (a) of Section 33670.

(c) An affected taxing agency, at any time after the adoption of the resolution, may elect not to receive all or any portion of the additional allocation of taxes pursuant to this section by rescinding the resolution or by amending the same, as the case may be, and giving notice thereof to the legislative body, the agency, and the official or officials performing the functions of levying and collecting taxes for the affected taxing agency. After receipt of a notice by the official or officials that an affected taxing agency has elected not to receive all or a portion of the additional allocation of taxes by recission or amendment of the resolution, any allocation of taxes to the affected taxing agency required to be made pursuant to this section shall not thereafter be made but shall be allocated to the agency and the affected taxing agency shall thereafter be allocated only the portion of taxes provided for in subdivision (a) of Section 33670. After receipt of a notice by the official or officials that an affected taxing agency has elected to receive additional tax revenues attributable to only a portion of the increases in the rate of tax, only that portion of the tax revenues shall thereafter be allocated to the affected taxing agency in addition to the portion of taxes allocated pursuant to subdivision (a) of Section 33670, and the remaining portion thereof shall be allocated to the agency.

(d) As used in this section, "affected taxing agency" means and includes every public agency for the benefit of which a tax is levied upon property in the project area, whether levied by the public agency or on its behalf by another public agency.

(e) This section shall apply only to redevelopment projects for which a final redevelopment plan is adopted pursuant to Article 5 (commencing with Section 33360) of Chapter 4 on or after January 1, 1977.

SEC. 16. In the event a redevelopment agency has transmitted the information to county officials, taxing agencies, and the State Board of Equalization pursuant to Section 33327 of the Health and Safety Code and has not received the report required by Section 33328 of that code prior to the effective date of this act, the report shall be prepared and delivered to the redevelopment agency and each of the taxing agencies within either 60 days after the effective date of this act, or within 90 days from the date of filing by the redevelopment agency with the State Board of Equalization, whichever is less.

SEC. 17. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may

pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 18. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

CHAPTER 148

An act to amend Section 3131 of the Civil Code, relating to mechanics' liens.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 3131 of the Civil Code is amended to read:

3131. If a work of improvement consists in the construction of two or more separate residential units, each such unit shall be considered a separate "work of improvement," and the time for filing claims of lien against each such residential unit shall commence to run upon the completion of each such residential unit. A separate residential unit means one residential structure, including a residential structure containing multiple condominium units, together with any common area, or any garage or other improvements appurtenant thereto. The provisions of this qualification shall not impair any rights conferred under the provisions of Section 3112 and 3130. Materials delivered to or upon any portion of such entire work of improvement or furnished to be used in such entire work of improvement and ultimately used or consumed in one of such separate residential units shall, for all the purposes of this title, be deemed to have been furnished to be used or consumed in the separate residential unit in which the same shall have been actually used or consumed; provided, however, that if the claimant is unable to segregate the amounts used on or consumed in such separate units, he shall be entitled to all the benefits of Section 3130.

For purposes of this section and notwithstanding any other provision of this chapter, the completion of a residential structure containing multiple condominium units, together with any common area, or any garage or other improvements appurtenant thereto, and only such residential structure, shall not operate in any manner to impair the rights of a lien claimant entitled to a lien pursuant to Section 3111, if the claim of lien is recorded in the manner prescribed by this chapter within 120 days of the completion of the residential structure.

CHAPTER 149

An act to amend Section 4213 of the Civil Code, relating to marriage.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 4213 of the Civil Code is amended to read:

4213. (a) When an unmarried man and an unmarried woman, not minors, have been living together as husband and wife they may without a license, be married by any person authorized to solemnize a marriage under Sections 4205, 4205.1, and 4205.5, without the necessity of first obtaining health certificates. Except as provided in Section 4213.1, an authorization for the performance of a marriage pursuant to this section shall be issued by the county clerk, the clerk of the court, or a judge in private chambers, upon the personal appearance of the parties to be married and their payment of the fees required by Sections 26840.1 and 26840.8 of the Government Code and any fee imposed pursuant to the authorization of Section 26840.3 of the Government Code. Any authorization issued pursuant to this section shall be valid only for a period of 90 days after its issuance and may only be used in the county in which it is issued. The authorization shall be presented to the person performing the ceremony. Upon performance of the ceremony, the certificate of marriage shall be filled out by the parties to the marriage and authenticated by the person performing the ceremony. The certificate shall be filed by the person performing the ceremony with the office of the county clerk in the county in which the authorization was issued within four days after the performance of the ceremony. Except as provided in Section 4213.2, the county clerk shall maintain the certificate as a permanent record which shall not be open to public inspection except upon order of the superior court issued upon a showing of good cause.

Upon performance of the ceremony, the person performing the ceremony shall give a copy of the confidential marriage certificate to the parties who were married. The person performing the ceremony shall also provide the parties who were married with an application for a certified copy of the confidential marriage certificate which shall be filled out by the parties and sent by the person performing the marriage to the county clerk.

The form of the authorization and of the certificate of marriage, which shall be incorporated in one document, shall be prescribed by the State Registrar of Vital Statistics. The form shall be designed in a manner such that the parties to be married must declare or affirm that they meet all of the requirements of this section.

(b) In addition to those persons enumerated in subdivision (a), an

authorization for the performance of a marriage pursuant to this section may also be issued by any other person authorized by law to administer oaths, upon the personal appearance of the parties. The county clerk shall issue an authorization form for the performance of a marriage upon the request of any person so authorized and his or her payment of the fees specified in Sections 26840.1 and 26840.8 of the Government Code. The parties shall reimburse the person authorizing the marriage for the amount of the fees. An authorization issued by the county clerk to any person authorized by law to administer oaths shall be valid only for a period of 90 days after its issuance by the county clerk and may only be used in the county in which it was issued.

(c) The county clerk shall, not less than quarterly, transmit copies of all confidential marriage certificates filed after January 1, 1982, to the State Registrar of Vital Statistics. The registrar may destroy the copies so transmitted after they have been indexed. The registrar may respond to an inquiry as to the existence of a marriage performed pursuant to this section, but shall not disclose the date of such a marriage.

(d) The county clerk may conduct a search for a confidential marriage certificate for the purpose of confirming the existence of a marriage; however, the date of the marriage and any other information contained in the certificate shall not be disclosed except upon order of the superior court.

(e) A party to a confidential marriage may obtain a certified copy of the confidential marriage certificate from the county clerk of the county in which the certificate is filed in any of the following ways:

(1) By submitting the application for a certified copy of the confidential marriage certificate provided to the parties at the time of the marriage.

(2) By personally appearing before a notary public or at the county clerk's office in his or her county of residence, producing proper identification, obtaining a certificate attesting to his or her identity from the notary public or county clerk, and transmitting that certificate, together with a request for the certified copy of the confidential marriage certificate, to the county clerk of the county with which the certificate is filed.

(3) By personally appearing at the county clerk's office where the certificate is filed and producing proper identification.

Copies of a confidential marriage certificate may be issued to the parties to such a marriage upon the payment of a fee equivalent to that charged for copies of a certificate of marriage.

(f) In the event that an authorization furnished pursuant to this section is lost, damaged, or destroyed after the performance of the marriage and before it is filed, the county clerk may issue a replacement upon the payment of a fee of five dollars ($5).

CHAPTER 150

An act to amend Section 9 of the Kings River Conservation District Act (Chapter 931 of the Statutes of 1951), relating to the Kings River Conservation District.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 9 of the Kings River Conservation District Act (Chapter 931 of the Statutes of 1951) is amended to read:

Sec. 9. At the first regular meeting in December after each general district election, the directors shall meet and organize as a board.

CHAPTER 151

An act to amend Sections 13831 and 13948 of the Health and Safety Code, relating to fire protection.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 13831 of the Health and Safety Code is amended to read:

13831. A petition or resolution which proposes the formation of a district shall specify one of the following methods of selecting the board of directors of the district:

(a) That the board of directors shall be composed of the supervising authority.

(b) That the board of directors shall have five members appointed by the supervising authority.

Where the members of the board of directors are appointed by the supervising authority, the board shall determine whether the members of the board of directors shall serve at the pleasure of the supervising authority, or for a term of four years subject to removal by the supervising authority for cause. If the members of the board of directors are appointed for four-year terms, the terms of members first appointed shall expire as follows: one member, one year from the effective date of his or her appointment; one member, two years from the effective date of his or her appointment; one member, three years from the effective date of his or her appointment; and two members, four years from the effective date of their appointments. The determination as to which members of the board

of directors shall serve the one-, two-, three- and four-year terms shall be determined by the supervising authority by lot.

(c) That the board of directors shall have 5 or 11 members appointed by or from the board of supervisors and by or from the city councils of the cities included within the district. Directors appointed on or after January 1, 1985, shall reside within the area that they are appointed to represent.

If unincorporated territory and territory of one or more cities, or portions thereof, are included within the district, or if all or a portion of the unincorporated territory in a district subsequently becomes incorporated territory, the directors shall be appointed from the incorporated territory and the unincorporated territory according to the proportionate share of the population of the incorporated and unincorporated territory included within the district.

Directors representing the unincorporated territory included within the district shall be appointed by or from members of the board of supervisors. Directors representing the incorporated territory included in the district shall be elected by or from the city councils of those cities so included.

When two or more cities, or portions thereof, are included within the district, the directors representing the incorporated territory within the district shall be appointed by or from the respective city councils according to the proportionate share of the population of the cities of the incorporated territory included within the district.

Whenever unincorporated territory and all or portions of one or more cities are included within the district, at least one director shall be appointed by or from the board of supervisors and at least one director shall be appointed by or from the city councils of the cities included within the district.

The members of the board of directors of the board first appointed shall serve for four-year terms and for two-year terms and shall determine by lot which three members shall serve for four-year terms and which of two members shall serve for two-year terms. Vacancies resulting from a member's loss of his or her office on the board of supervisors or a city council, or from other causes, shall be filled by the appointing authority for the unexpired term.

(d) That the board of directors shall be composed of three or five members to be elected as provided in this part.

SEC. 2. Section 13948 of the Health and Safety Code is amended to read:

13948. (a) Any city, or portion thereof, may be included within a district upon the adoption of an ordinance by the city governing body requesting the inclusion which is approved by the district board. The district board may require as a condition to the inclusion that the legislative body of the city within the district agree to (1) remain part of the district for a period of at least 10 years; and (2) pay annually from the city's municipal funds, on a schedule specified by the district board, the annual adjusted cost of the services provided by the district. Upon the expiration of the period of time

set forth in the conditions or, if none, at any time, the legislative body of the city may provide by ordinance for the withdrawal of the territory of the city from the district. The withdrawal shall be effective upon the date fixed by the legislative body of the city in the ordinance, which date is on or after the date of the adoption of the ordinance. Where the withdrawal is effective on or before January 1 of the fiscal year, the district shall furnish fire protection services to the territory withdrawn until the July 1 next succeeding. Where the withdrawal is effective subsequent to January 1 of the fiscal year, and the territory is subject to district taxation for the succeeding fiscal year the district shall furnish fire protection services to the territory until June 30 of the fiscal year next succeeding.

Immediately after the approval by the district board of an ordinance of a city governing body including the city or portion thereof, within the district, the clerk of the legislative body of the city shall file a copy of the ordinance, describing the territory included and the date of its inclusion, with the governing body of the district. Immediately after the adoption of an ordinance withdrawing the territory of a city from the district, the clerk of the legislative body of the city shall file a copy of the ordinance, describing the territory withdrawn and the date of its withdrawal, with the governing body of the district and with the tax levying authority of the district. Whenever a copy of an ordinance including a city or portion thereof, within the district, or a copy of an ordinance withdrawing the territory of a city from a district, pursuant to this section is filed with the district board, the tax levying authority of the district shall comply with the requirements of Chapter 8 (commencing with Section 54900) of Part 1 of Division 2 of Title 5 of the Government Code.

(b) If a city governing body requests inclusion within a district pursuant to this section, upon agreement of the city governing body and the board of directors, the board of directors may be reconstituted as follows:

The board of directors shall have 5 or 11 members appointed by or from the board of supervisors and by or from the city councils of the cities included within the district. Directors appointed on or after January 1, 1985, shall reside within the area they are appointed to represent.

If the unincorporated territory and territory of one or more cities, or portions thereof, are included within the district, or if all or a portion of the unincorporated territory in a district subsequently becomes incorporated territory, the directors shall be appointed from the incorporated territory and the unincorporated territory according to the proportionate share of population of the incorporated and unincorporated territory included within the district.

Directors representing the unincorporated territory included within the district shall be appointed by or from members of the board of supervisors. Directors representing the incorporated

territory included within the district shall be elected by or from the city councils of those cities so included.

When two or more cities, or portions thereof, are included within the district pursuant to this section, the directors representing the incorporated territory within the district shall be appointed by or from the respective city councils according to the proportionate share of population of the cities of the incorporated territory included within the district.

Whenever unincorporated territory and all or portions of one or more cities are included within the district, at least one director shall be appointed by or from the board of supervisors and at least one director shall be appointed by or from the city councils of the cities included within the district

A copy of any agreement entered into pursuant to this subdivision shall be filed with the Secretary of State.

CHAPTER 152

An act to add Section 503.2 to the Corporations Code, relating to corporations.

[Approved by Governor May 31, 1984 Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 503.2 is added to the Corporations Code, to read:

503.2. The provisions of Sections 500, 501, 502, and 503 shall not apply to the purchase or redemption of shares of a disabled shareholder from the proceeds of disability insurance applicable to the disabled shareholder in excess of the total amount of all premiums paid by the corporation for the insurance, in order to carry out the provisions of an agreement between the corporation and the shareholder to purchase or redeem shares upon the disability of the shareholder as defined within that policy.

For the purposes of this section, "disability insurance" means an agreement of indemnification against the insured's loss of the ability to work due to accident or illness.

CHAPTER 153

An act to amend Section 30952 of, and to add Section 29235 to, the Public Utilities Code, relating to transit.

[Approved by Governor May 31, 1984. Filed with Secretary of State May 31, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 29235 is added to the Public Utilities Code, to read:

29235. (a) The district may borrow money for the purchase of transit vehicles, as defined in subdivision (b) of Section 99501, transit equipment, or transportation facilities, or for capital improvements, by the issuance of grant anticipation notes issued pursuant to Article 7.7 (commencing with Section 53859) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code payable on the basis of any of the following:

(1) From appropriated state funds.

(2) From other funds committed, but not appropriated, and evidenced by an appropriate document of intent.

(3) On specific dates or events and evidenced by an appropriate document of intent. There shall be no liability on the state for funds appropriated but not allocated.

(b) In addition to the grant money that may be pledged for the payment of the notes pursuant to Section 53859.06 of the Government Code, the district may pledge as security, on terms that it deems appropriate, the transit vehicles or equipment, transportation facilities, or capital improvements acquired with the proceeds of the notes.

SEC. 2. Section 30952 of the Public Utilities Code is amended to read:

30952. (a) Notwithstanding any provision of Article 7.7 (commencing with Section 53859) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code, the district may borrow money for the purchase of buses and rolling stock, or transportation facilities, or for capital improvement, by the issuance of grant anticipation notes issued pursuant to that article that are payable on the basis of any of the following:

(1) From appropriated state funds.

(2) From other funds committed, but not appropriated, and evidenced by an appropriate document of intent.

(3) On specific dates or events and evidenced by an appropriate document of intent.

(b) In addition to the grant money that may be pledged for the payment of the notes pursuant to Section 53859.06 of the Government Code, the district may pledge as security, on terms that it deems appropriate, the buses, rolling stock, or other transportation facilities acquired with the proceeds of the notes.

CHAPTER 154

An act to amend Sections 10335, 10343, 10344, 10345, 10346, 10356, 10371, 10376, 10377, 10378, 10379, and 10410, of the Public Contract Code, relating to state contracting procedures.

[Approved by Governor June 4, 1984 Filed with Secretary of State June 5, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 10335 of the Public Contract Code is amended to read:

10335. The provisions of this article shall apply to all contracts entered into by any state agency for services to be rendered to the state, whether or not the same involves the furnishing or use of equipment, materials or supplies or are performed by an independent contractor. Except as provided in Section 10351, all contracts subject to the provisions of this article are of no effect unless and until approved by the department. Every such contract shall be transmitted with all papers, estimates, and recommendations concerning it to the department and, if approved by the department, shall be effective from the date of approval. This article shall apply to any state agency which by general or specific statute is expressly or impliedly authorized to enter into the transactions referred to in this section. This article shall not apply to contracts covered under Article 5 (commencing with Section 10355), contracts for the construction, alteration, improvement, repair, or maintenance of real or personal property, contracts for architectural and engineering services subject to the provisions of Chapter 10 (commencing with Section 4525) of Division 5 of Title 1 of the Government Code, or to contracts which are expressly excepted from the provisions of Section 10295, or contracts of less than one thousand dollars ($1,000) in amount or to contracts of less than five thousand dollars ($5,000) where only per diem or travel expenses, or a combination thereof, are to be paid.

SEC. 2. Section 10343 of the Public Contract Code is amended to read:

10343. Whenever a contract is awarded under a procedure which provides for competitive bidding, but the contract is not to be awarded to the low bidder, the low bidder shall be notified by telegram five working days prior to the award of the contract. Upon written request by any bidder who has submitted a bid, notice of the proposed award shall be posted in a public place in the offices of the contracting agency at least five working days prior to awarding the contract. If, prior to the award, any bidder files a protest with the state agency and department against the awarding of the contract on the ground that he or she is the lowest responsible bidder meeting the specifications for the contract, the contract shall not be awarded

until either the protest has been withdrawn or the department has decided the matter.

Within five days after filing the protest, the protesting bidder shall file with the department a full and complete written statement specifying the grounds for the protest.

The department shall establish written procedures for deciding protests.

SEC. 3. Section 10344 of the Public Contract Code is amended to read:

10344. (a) Contracts subject to the provisions of this article may be awarded under a procedure which makes use of a request for proposal. State agencies which use this procedure shall include in the request for proposal a clear, precise description of the work to be performed or services to be provided, a description of the format which proposals shall follow and the elements they shall contain, the standards the agency will use in evaluating proposals, the date on which proposals are due and the timetable the agency will follow in reviewing and evaluating them.

State agencies which use a procedure which makes use of a request for proposal shall evaluate proposals and award contracts in accordance with the provisions of subdivision (b) or (c). No proposals shall be considered which have not been received at the place, and prior to the closing time, stated in the request for proposal.

(b) State agencies which use the evaluation and selection procedure in this subdivision shall include in the request for proposal, in addition to the information required by subdivision (a), a requirement that bidders submit their proposals with the bid price and all cost information in a separate, sealed envelope.

Proposals shall be evaluated and the contract awarded in the following manner:

(1) All proposals received shall be reviewed to determine those which meet the format requirements and the standards specified in the request for proposal.

(2) The sealed envelopes containing the bid price and cost information for those proposals which meet the format requirements and standards shall then be publicly opened and read.

(3) The contract shall be awarded to the lowest responsible bidder meeting the standards.

(c) State agencies which use the evaluation and selection procedure in this subdivision shall include in the request for proposal, in addition to the information required by subdivision (a), a description of the methods which will be used in evaluating and scoring the proposals. Any evaluation and scoring method shall ensure that substantial weight in relationship to all other criteria utilized shall be given to the contract price proposed by the bidder.

Proposals shall be evaluated and the contract awarded in the following manner:

(1) All proposals shall be reviewed to determine which meet the format requirements specified in the request for proposal.

(2) All proposals meeting the formal requirements shall then be submitted to an agency evaluation committee which shall evaluate and score the proposals using the methods specified in the request for proposal. All proposals and all evaluation and scoring sheets shall be available for public inspection at the conclusion of the committee scoring process.

(3) The contract shall be awarded to the bidder whose proposal is given the highest score by the evaluation committee.

(d) Nothing in this section shall require the awarding of the contract if no proposals are received containing bids offering a contract price which in the opinion of the state agency is a reasonable price.

SEC. 4. Section 10345 of the Public Contract Code is amended to read:

10345. Contracts awarded under the provisions of Section 10344 shall be awarded only after a notice of the proposed award has been posted in the offices of the contracting agency for five working days. If, prior to the award, any bidder files a protest with the awarding authority and department against the awarding of the contract, the contract shall not be awarded until either the protest has been withdrawn or the department has decided the matter.

Within five days after filing the protest, the protesting bidder shall file with the department and awarding agency a full and complete written statement specifying the grounds for the protest. Protests shall be limited to the following grounds:

(a) The agency failed to follow the procedures specified in either subdivision (b) or (c) of Section 10344.

(b) The agency failed to apply correctly the standards for reviewing the format requirements or evaluating the proposals as specified in the request for proposal.

(c) The agency used the evaluation and selection procedure in subdivision (b) of Section 10344, but is proposing to award the contract to a bidder other than the lowest responsible bidder.

(d) The agency used the evaluation and selection procedure in subdivision (c) of Section 10344, but failed to follow the methods for evaluating and scoring the proposals specified in the request for proposal.

(e) The agency used the evaluation and selection procedure in subdivision (c) of Section 10344, but is proposing to award the contract to a bidder other than the bidder given the highest score by the agency evaluation committee.

The department shall establish written procedures for deciding protests under this section.

SEC. 5. Section 10346 of the Public Contract Code is amended to read:

10346. Contracts may provide for progress payments to contractors for work performed or costs incurred in the performance of the contract, provided that not less than 10 percent of the contract amount shall be withheld pending final completion of the contract.

No state agency shall make progress payments on a contract unless it first has established procedures, approved by the department, which will ensure that the work or services contracted are being delivered in accordance with the contract.

SEC. 6. Section 10356 of the Public Contract Code is amended to read:

10356. (a) "Consulting services contract," as used in this article, means all services which are of an advisory nature, provide a recommended course of action or personal expertise, have an end product which is basically a transmittal of information either written or verbal and which is related to the governmental functions of state agency administration and management and state agency program management or innovation, and which are obtained by awarding a procurement-type contract, a grant, or any other payment of funds for services of the above type.

The product may include anything from answers to specific questions to design of a system or plan, and includes workshops, seminars, retreats, and conferences for which paid expertise is retained by contract.

(b) "Consulting services contract" does not include any of the following:

(1) Contracts between a state agency or department and the federal government.

(2) Contracts with local agencies, as defined in Section 2211 of the Revenue and Taxation Code, to subvene federal funds for which no matching state funds are required.

(3) Contracts for the development, maintenance, administration, or use of licensing or proficiency testing examinations.

(4) Contracts for architectural and engineering services subject to the provisions of Chapter 10 (commencing with Section 4525) of Division 5 of Title 1 of the Government Code.

(5) Contracts which are expressly excepted from the provisions of Section 10295.

(c) The following consulting services contracts are exempt from the advertising and bidding requirements of this article:

(1) Contracts which are temporary or time-limited appointments to a nontesting civil service classification for the purpose of meeting a time-limited employment need. Selection and compensation for these appointments shall be made in accordance with state civil service requirements. Payment under a consulting service contract may be on the basis of each hour or day devoted to the task or in one lump sum for the end product.

(2) Contracts that can only be performed by a public entity as defined in subdivision (b) of Section 605 of the Unemployment Insurance Code.

(3) Contracts for the work or services of one state, local, or federal agency by another state, local, or federal agency.

(4) Contracts for which only per diem and travel expenses are paid and there is no payment for services rendered.

(5) Contracts solely for the purpose of obtaining expert witnesses for litigation.

(6) Contracts for legal defense, legal advice, or legal services.

(7) Contracts in an amount of less than one thousand dollars ($1,000).

(8) Contracts by which only per diem or travel expenses, or a combination thereof, are to be paid in an amount of less than five thousand dollars ($5,000).

SEC. 7. Section 10371 of the Public Contract Code is amended to read:

10371. The following provisions shall apply to all consulting services contracts:

(a) Each state agency or department shall, regardless of the fiscal amount involved, use available private resources only when the quality of work of private resources is of at least equal quality compared with the state agency or department operated resources.

(b) Any state agency or department which enters into or expects to enter into more than one consulting services contract with the same individual, business firm, or corporation within a 12-month period for an aggregate amount of ten thousand dollars ($10,000) or more, shall notify, in writing, the Department of General Services and shall have each contract that exceeds an aggregate amount of ten thousand dollars ($10,000) approved by the Department of General Services.

(c) Each state agency or department shall, prior to signing a consulting services contract, regardless of the fiscal amount involved, prepare a detailed criteria and mandatory progress schedule for the performance of the contract and shall require each selected contractor to provide a detailed analysis of the costs of performing the contract.

(d) Except in an emergency, no consulting services contract shall be commenced prior to formal approval by the department or, if the department's approval is not otherwise required, by the director of the state agency or department. No payments for any consulting services contract shall be made prior to this approval of the award.

For the purpose of this subdivision an "emergency" means an instance, as determined by the department, where the use of contracted services appeared to be reasonably necessary but time did not permit the obtaining of prior formal approval of the contract.

(e) No consulting services contractor shall be awarded a contract unless either of the following apply:

(1) The state agency or department has reviewed a contractor evaluation form on file with the Department of General Services in accordance with Section 10369.

(2) If the contractor has not performed a previous contract for any state entity, a completed resumé for each contract participant who will exercise a major administrative role or major policy or consultant role, as identified by the contractor, shall be attached to the contract for public record.

(f) The department may require special evaluation procedures for multiyear contracts between the pre-evaluation and post-evaluation otherwise required by this article, or for contracts calling for special evaluation procedures beyond the pre-evaluation and post-evaluation.

(g) Any sole-source contract for consulting services shall be listed in the State Contracts Register. The information contained in the listing shall include the contract recipient, amount, and services covered. The requirement of this subdivision shall not apply to any sole-source contract executed with an expert witness for purposes of civil litigation in a pending case.

(h) The department shall have the duty to restrict or terminate the authority of a state agency or office to enter into consultant contracts if the agency or office has consistently avoided the proper preparation and submission of pre- and post-evaluation forms, as required by this article.

SEC. 8. Section 10376 of the Public Contract Code is amended to read:

10376. Whenever a consulting services contract is awarded under a procedure which provides for competitive bidding, but the contract is not to be awarded to the low bidder, the low bidder shall be notified by telegram five working days prior to the award of the contract. Upon written request by any bidder who has submitted a bid, notice of the proposed award shall be posted in a public place in the offices of the contracting agency at least five working days prior to awarding the contract. If, prior to the award, any bidder files a protest with the state agency and department against the awarding of the contract on the ground that he or she is the lowest responsible bidder meeting the specifications for the contract, the contract shall not be awarded until either the protest has been withdrawn or the Department of General Services has decided the matter.

Within five days after filing the protest, the protesting bidder shall file with the department a full and complete written statement specifying the grounds for the protest.

The department shall establish written procedures for deciding protests.

SEC. 9. Section 10377 of the Public Contract Code is amended to read:

10377. (a) Consulting services contracts may be awarded under a procedure which makes use of a request for proposal. State agencies which use this procedure shall include in the request for proposal a clear, precise description of the work to be performed or services to be provided, a description of the format which proposals shall follow and the elements they shall contain, the standards the agency will use in evaluating proposals, the date on which proposals are due and the timetable the agency will follow in reviewing and evaluating them.

State agencies which use a procedure which makes use of a request for proposal shall evaluate proposals and award contracts in

accordance with the provisions of subdivision (b) or (c). No proposals shall be considered which have not been received at the place, and prior to the closing time, stated in the request for proposal.

(b) State agencies which use the evaluation and selection procedure in this subdivision shall include in the request for proposal, in addition to the information required by subdivision (a), a requirement that bidders submit their proposals with the bid price and all cost information in a separate, sealed envelope.

Proposals shall be evaluated and the contract awarded in the following manner:

(1) All proposals received shall be reviewed to determine those which meet the format requirements and the standards specified in the request for proposal.

(2) The sealed envelopes containing the bid price and cost information for those proposals which meet the format requirements and standards shall then be publicly opened and read.

(3) The contract shall be awarded to the lowest responsible bidder meeting the standards.

(c) State agencies which use the evaluation and selection procedure in this subdivision shall include in the request for proposal, in addition to the information required by subdivision (a), a description of the methods which will be used in evaluating and scoring the proposals. Any evaluation and scoring method shall ensure that substantial weight in relationship to all other criteria utilized shall be given to the contract price proposed by the bidder.

Proposals shall be evaluated and the contract awarded in the following manner:

(1) All proposals shall be reviewed to determine which meet the format requirements specified in the request for proposal.

(2) All proposals meeting the formal requirements shall then be submitted to an agency evaluation committee which shall evaluate and score the proposals using the methods specified in the request for proposal. All proposals and all evaluation and scoring sheets shall be available for public inspection at the conclusion of the committee scoring process.

(3) The contract shall be awarded to the bidder whose proposal is given the highest score by the evaluation committee.

(d) Nothing in this section shall require the awarding of the contract if no proposals are received containing bids offering a contract price which in the opinion of the state agency is a reasonable price.

SEC. 10. Section 10378 of the Public Contract Code is amended to read:

10378. Contracts awarded under the provisions of Section 10377 shall be awarded only after a notice of the proposed award has been posted in the offices of the contracting agency for five working days. If, prior to the award, any bidder files a protest with the awarding authority and department against the awarding of the contract, the contract shall not be awarded until either the protest has been

withdrawn or the Department of General Services has decided the matter.

Within five days after filing the protest, the protesting bidder shall file with the department and awarding agency a full and complete written statement specifying the grounds for the protest. Protests shall be limited to the following grounds:

(a) The agency failed to follow the procedures specified in subdivision (b) or (c) of Section 10377.

(b) The agency failed to apply correctly the standards for reviewing the format requirements or evaluating the proposals as specified in the request for proposal.

(c) The agency used the evaluation and selection procedure in subdivision (b) of Section 10377, but is proposing to award the contract to a bidder other than the lowest responsible bidder.

(d) The agency used the evaluation and selection procedure in subdivision (c) of Section 10377, but failed to follow the methods for evaluating and scoring the proposals specified in the request for proposal.

(e) The agency used the evaluation and selection procedure in subdivision (c) of Section 10377, but is proposing to award the contract to a bidder other than the bidder given the highest score by the agency evaluation committee.

The department shall establish written procedures for deciding protests under this section.

SEC. 11. Section 10379 of the Public Contract Code is amended to read:

10379. Contracts may provide for progress payments to contractors for work performed or costs incurred in the performance of the contract, provided that not less than 10 percent of the contract amount shall be withheld pending final completion of the contract and an evaluation of the contractor's performance.

No state agency shall make progress payments on a contract unless it first has established procedures, approved by the department, which will ensure that the work or services contracted are being delivered in accordance with the contract.

SEC. 12. Section 10410 of the Public Contract Code is amended to read:

10410. No officer or employee in the state civil service or other appointed state official shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or in which the officer or employee has a financial interest and which is sponsored or funded, or sponsored and funded, by any state agency or department through or by a state contract unless the employment, activity, or enterprise is required as a condition of the officer's or employee's regular state employment. No officer or employee in the state civil service shall contract on his or her own individual behalf as an independent contractor with any state agency to provide services or goods.

CHAPTER 155

An act to amend the heading of Article 17 (commencing with Section 20310) of Chapter 1 of Part 3 of Division 2 of, and Sections 20310 and 20311 of, the Public Contract Code, relating to transit district contracts.

[Approved by Governor June 4, 1984. Filed with Secretary of State June 5, 1984]

The people of the State of California do enact as follows:

SECTION 1. The heading of Article 17 (commencing with Section 20310) of Chapter 1 of Part 3 of Division 2 of the Public Contract Code is amended to read:

Article 17. Golden Empire Transit District

SEC. 2. Section 20310 of the Public Contract Code is amended to read:

20310. The provisions of this article shall apply to contracts by the Golden Empire Transit District, as provided for in Part 13 (commencing with Section 101000) of the Public Utilities Code.

SEC. 3. Section 20311 of the Public Contract Code is amended to read:

20311. The purchase of all supplies, equipment, and materials, and the construction of facilities and works, when the expenditure required exceeds ten thousand dollars ($10,000), or any single purchase of fuels exceeding fifteen thousand dollars ($15,000), shall be by contract let to the lowest responsible bidder. Notice requesting bids shall be published at least once in a newspaper of general circulation, which publication shall be made at least 10 days before bids are received. The board may reject any and all bids and readvertise in its discretion.

When the expected procurement required exceeds one thousand dollars ($1,000), the board shall seek a minimum of three quotations, either written or oral, which permit prices and other terms to be compared.

CHAPTER 156

An act to add Section 4356 to the Civil Code, relating to family law.

[Approved by Governor June 4, 1984. Filed with Secretary of State June 5, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 4356 is added to the Civil Code, to read:

4356. (a) During the time a motion pursuant to Section 418.10 of the Code of Civil Procedure is pending, the respondent may appear in opposition to an order made during the pendency of proceedings under this part and the appearance shall not be deemed a general appearance by the respondent.

(b) As used in this section, a motion pursuant to Section 418.10 of the Code of Civil Procedure is pending from the time notice of motion is served and filed until the time within which to petition for a writ of mandate has expired or, if a petition is made, until the time final judgment in the mandate proceeding is entered.

CHAPTER 157

An act to amend Sections 607 and 22843.5 of the Elections Code, relating to elections.

[Approved by Governor June 4, 1984. Filed with Secretary of State June 5, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 607 of the Elections Code is amended to read:

607. If the county clerk uses data-processing equipment to store the information set forth in the affidavits of registration, he shall forward to the Secretary of State one copy of the data-processing tape file with the information. A clerk not using data-processing storage shall forward to the Secretary of State one copy of the index setting forth such information. Whether tape file or index they shall be sent at the following times:

(a) Not less than 50 days prior to the primary election, with respect to voters registered on the 60th day before the primary election.

(b) Not less than seven days prior to the primary election, with respect to voters who registered after the 60th day before the election and before the 28th day prior to the election.

(c) Not less than 50 days prior to the general election, with respect to voters registered on the 60th day before the General Election.

(d) Not less than seven days prior to the general election, with respect to voters who registered after the 60th day before the election and before the 28th day prior to the election.

(e) On or before March 1 of each odd-numbered year.

(f) On or before October 1 of each odd-numbered year.

(g) On the 135th day before each presidential primary and before each direct primary.

The Secretary of State may adopt regulations prescribing the format of the information contained on data-processing cards or tapes.

The Secretary of State may adopt regulations prescribing additional regular reporting times, except that the total number of reporting times in any one calendar year shall not exceed 12.

The Secretary of State shall make the information on the data-processing tape files or printed indexes available, under conditions prescribed by the Secretary of State, to any candidate for federal, state, or local office, to any committee for or against any proposed ballot measure, to any committee for or against any referendum or initiative measure for which legal publication is made, and to any person for election or governmental purposes as determined by the Secretary of State.

SEC. 2. Section 22843.5 of the Elections Code is amended to read:

22843.5. (a) If, by 5 p.m. on the 63rd day prior to the day fixed for a regularly scheduled municipal election, no one or only one person has been nominated for any office which is elected on a citywide basis, or no one or only one person is nominated to be elected from or by a legislative district, the city clerk shall submit a certificate of these facts to the governing body of the city and inform the governing body of the city that it may, at a regular or special meeting held before the municipal election, adopt one of the following courses of action:

(1) Appoint to the office the person who has been nominated.

(2) Appoint to the office any eligible elector if no one has been nominated.

(3) Hold the election if either no one or only one person has been nominated. The city clerk shall publish a notice of the facts described in this section and the courses of action available under this subdivision. Publication shall be made pursuant to Section 6061 of the Government Code in any newspaper of general circulation as designated by the clerk.

After the publication, the governing body of the city may make the appointment or direct an election to be held in the affected territory. The person appointed, if any, shall qualify and take office and serve exactly as if elected at a municipal election for the office.

If, by the 50th day before the municipal election, no person has been appointed to office pursuant to paragraph (1) or (2), the election shall be held.

(b) The provisions of subdivision (a) shall not apply if, at the regularly scheduled municipal election, more than one person has been nominated to another city office to be elected on a citywide basis or, a city measure has qualified and is to be submitted to the voters at that municipal election.

(c) Notwithstanding Chapter 8 (commencing with Section 7300) of Division 6 or any other provision of the law to the contrary, if the governing body of a city makes an appointment pursuant to subdivision (a), the clerk shall not accept for filing any statement of

write-in candidacy which is submitted after the appointment is made.

In the event that an appointment to office is made in a particular legislative district pursuant to subdivision (a), that appointment shall not affect the conduct of the municipal election in other legislative districts of the city.

CHAPTER 158

An act to amend Section 657 of the Welfare and Institutions Code, relating to juvenile court law.

[Approved by Governor June 4, 1984 Filed with Secretary of State June 5, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 657 of the Welfare and Institution Code is amended to read:

657. (a) Upon the filing of the petition, the clerk of the juvenile court shall set the same for hearing within 30 days, except as follows:

(1) In the case of a minor detained in custody at the time of the filing of the petition, the petition must be set for hearing within 15 judicial days from the date of the order of the court directing such detention.

(2) In the case of a minor not before the juvenile court at the time of the filing of the petition and for whom a warrant of arrest has been issued pursuant to Section 663, the hearing on the petition shall be stayed until the minor is brought before the juvenile court on the warrant of arrest. The clerk of the juvenile court shall set the petition for hearing within 30 days of the minor's initial appearance in juvenile court on the petition, except that in the case of a minor detained in custody, the petition shall be set for hearing within 15 judicial days from the date of the order of the court directing such detention.

(b) At the detention hearing, or any time thereafter, a minor who is alleged to come within the provisions of Section 601 or 602, may, with the consent of counsel, admit in court the allegations of the petition and waive the jurisdictional hearing.

CHAPTER 159

An act to amend Section 23555 of, and to repeal Section 23559 of, the Elections Code, relating to elections.

[Approved by Governor June 4, 1984. Filed with Secretary of State June 5, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 23555 of the Elections Code is amended to read:

23555. The county clerk shall immediately make and deliver to each person elected a certificate of election signed by the county clerk.

SEC. 2. Section 23559 of the Elections Code is repealed.

CHAPTER 160

An act to amend Section 27302 of the Elections Code, relating to elections.

[Approved by Governor June 4, 1984. Filed with Secretary of State June 5, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 27302 of the Elections Code is amended to read:

27302. If a petition is found by the clerk or, in the case of the recall of a state officer, the Secretary of State, to lack sufficient signatures, notwithstanding Section 6253.5 of the Government Code, the proponents whose names are listed on the notice of intention shall be allowed to examine the petition in order to determine which signatures were disqualified and the reasons therefor.

CHAPTER 161

An act to amend Sections 82039, 84303, 86103, 86109, and 86204 of, and to repeal Sections 86200 and 86202 of, the Government Code, relating to the Political Reform Act.

[Approved by Governor June 4, 1984. Filed with Secretary of State June 5, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 82039 of the Government Code is amended to read:

82039. "Lobbyist" means any individual who is employed or contracts for economic consideration, other than reimbursement for reasonable travel expenses, to communicate directly or through his or her agents with any elective state official, agency official or

legislative official for the purpose of influencing legislative or administrative action, if a substantial or regular portion of the activities for which he or she receives consideration is for the purpose of influencing legislative or administrative action. No individual is a lobbyist by reason of activities described in Section 86300.

SEC. 2. Section 84303 of the Government Code is amended to read:

84303. No expenditure shall be made, other than overhead or normal operating expenses, by an agent or independent contractor, including but not limited to an advertising agency, on behalf of or for the benefit of any candidate or committee unless it is reported by the candidate or committee as if the expenditure were made directly by the candidate or committee. The agent or independent contractor shall make known to the candidate or committee all information required to be reported by this section.

SEC. 3. Section 86103 of the Government Code is amended to read:

86103. If any change occurs in any of the information contained in a registration statement, an appropriate amendment shall be filed within twenty days after the change. Each registered lobbyist shall file a notice of termination within thirty days after he ceases the activity which required his registration. He shall remain subject to Section 86203 for six months after filing his notice of termination.

SEC. 4. Section 86109 of the Government Code is amended to read:

86109. Every person described in Section 86108 shall file periodic reports containing:

(a) The name, business address and telephone number of the person making the report:

(b) Information sufficient to identify the nature and interests of the filer, including;

(1) If the filer is an individual, the name and address of his employer, if any, or his principal place of business if he is self-employed, and a description of the business activity in which he or his employer is engaged;

(2) If the filer is a business entity, a description of the business activity in which it is engaged;

(3) If the filer is an industry, trade or professional association, a description of the industry, trade or profession which it represents including a specific description of any portion or faction of the industry, trade or profession which the association exclusively or primarly represents and, if the association has no more than fifty members, the names of the members; and

(4) If the filer is not an individual, business entity or industry, trade or professional association, a statement of the person's nature and purposes, including a description of any industry, trade, profession or other group with a common economic interest which the person principally represents or from which its membership or financial support is principally derived.

The information required by this subsection (b) need be stated only in the first report filed during a calendar year, except to reflect changes in the information previously reported.

(c) The total amount of payments to influence legislative and administrative action during the period, and in the case of expenses which benefit in whole or in part any elective state official, legislative official, agency official, state candidate or member of their immediate family, the date and amount of each expense incurred during the period, together with the full name and address of the payee, a specific description of the consideration, if any, for which the expense was incurred and, the full name and official position, if any, of each beneficiary, if the beneficiary is other than the payee or the filer, and the amount paid for each person. In the case of any expense which covers more than one item, all information shall be shown that would be required if a separate expense had been made for each item. The commission may by regulation provide for the reporting of other lobbying expenses.

(d) The date and amount of each contribution of twenty-five dollars ($25) or more made by the filer to a state candidate, an elected state officer, or a committee supporting such candidate or officer, and the name of the recipient of each contribution;

(e) A specific description of legislative or administrative action which the person making the report has attempted to influence;

(f) The name of each lobbyist employed or retained by the person making the report, together with the total amount paid to each lobbyist and the portion of that amount which was paid for specific purposes, including salary, fees, general expenses and any special expenses;

(g) The name of each business entity retained to lobby by the person making the report, together with the total amount paid to each business entity retained to lobby and the portion of that amount which was paid for specific purposes, including salary, fees, general expenses and any special expenses;

(h) Any other information required by the Commission consistent with the purposes and provisions of this chapter.

SEC. 5. Section 86200 of the Government Code is repealed.

SEC. 6. Section 86202 of the Government Code is repealed.

SEC. 7. Section 86204 of the Government Code is amended to read:

86204. It shall be unlawful for any person knowingly to receive any gift which is made unlawful by Section 86203.

SEC. 8. The Legislature finds and declares that the provisions of this act further the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.

CHAPTER 162

An act to amend Sections 362, 661, and 727 of, and to add Section 362.3 to, the Welfare and Institutions Code, relating to minors.

[Approved by Governor June 4, 1984. Filed with Secretary of State June 5, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 362 of the Welfare and Institutions Code is amended to read:

362. (a) When a minor is adjudged a dependent child of the court on the ground that the minor is a person described by Section 300, the court may make any and all reasonable orders for the care, supervision, custody, conduct, maintenance, and support of the minor, including medical treatment, subject to further order of the court and consistent with subdivision (e) of Section 361.

When the court orders removal pursuant to Section 361, the court shall order the care, custody, control, and conduct of the minor to be under the supervision of the probation officer who may place the minor in any of the following:

(1) The home of a relative.

(2) A suitable licensed community care facility.

(3) With a home-finding agency to be placed in a suitable licensed home or exclusive use home which has been certified by the agency as meeting licensing standards.

(4) A home or facility in accordance with the federal Indian Child Welfare Act.

(b) Where the court has ordered removal of the child from the physical custody of his or her parents pursuant to Section 361, the court shall consider whether the family ties and best interests of the minor will be served by granting visitation rights with the minor to the minor's grandparents. The court shall clearly specify those rights to the supervising probation officer.

(c) Where the court has ordered a specific minor placed under the supervision of the probation officer and the probation officer has found that the needs of the child cannot be met in any available licensed or exempt facility, including emergency shelter, the minor may be placed in a suitable family home that has filed a license application with the State Department of Social Services, if all of the following certification conditions are met:

(1) A preplacement home visit is made by the probation officer to determine the suitability of the family home.

(2) The probation officer verifies to the licensing agency in writing that the home lacks any deficiencies which would threaten the physical health, mental health, safety, or welfare of the minor.

(3) The probation officer notifies the licensing agency of the proposed placement and determines that the foster family home

applicant has filed specific license application documents prior to and after the placement of the minor. If the license is subsequently denied, the minor shall be removed from the home immediately. The denial of the license constitutes a withdrawal of the certification.

(d) When a minor is adjudged a dependent child of the court, on the ground that the minor is a person described by Section 300 and the court orders that a parent or guardian shall retain custody of the minor subject to the supervision of the probation officer, the parents or guardians may be required, and may be ordered, to participate in child welfare services or services provided by an appropriate agency designated by the court. When a minor is adjudged a dependent child of the court on the ground that the minor is a person described by subdivision (d) of Section 300 and the court orders that a parent or guardian shall retain custody of the minor subject to the supervision of the probation officer, the parents or guardians shall be required to participate in child welfare services or services provided by an appropriate agency, designated by the court.

(e) The juvenile court may direct any and all reasonable orders to the parents or guardians of the minor who is the subject of any proceedings under this chapter as the court deems necessary and proper to carry out the provisions of subdivisions (a) and (c). Such an order may include a direction to participate in a counseling or education program, including, but not limited to, a parent education and parenting program operated by a community college, school district, or other appropriate agency designated by the court. A foster parent may be directed to participate in such a program in cases in which the court deems participation is appropriate and in the child's best interest.

SEC. 2. Section 362.3 is added to the Welfare and Institutions Code, to read:

362.3. In addition to the notice provided in Sections 332 and 335, the juvenile court may issue its citation directing any parent, guardian, or foster parent of the person concerning whom a petition has been filed to appear at the time and place set for any hearing under the provisions of this chapter, and directing any person having custody or control of the minor concerning whom the petition has been filed to bring the minor with him or her. The notice shall, in addition, state that a parent, guardian, or foster parent may be required to participate in a counseling or education program with the minor concerning whom the petition has been filed. Personal service of the citation shall be made at least 24 hours before the time stated therein for the appearance.

SEC. 3. Section 661 of the Welfare and Institutions Code is amended to read:

661. In addition to the notice provided in Sections 658 and 659, the juvenile court may issue its citation directing any parent, guardian, or foster parent of the person concerning whom a petition has been filed to appear at the time and place set for any hearing under the provisions of this chapter, including a hearing under the

provisions of Section 257, and directing any person having custody or control of the minor concerning whom the petition has been filed to bring the minor with him or her. The notice shall in addition state that a parent, guardian, or foster parent may be required to participate in a counseling or education program with the minor concerning whom the petition has been filed. Personal service of the citation shall be made at least 24 hours before the time stated therein for the appearance.

SEC. 4. Section 727 of the Welfare and Institutions Code is amended to read:

727. (a) When a minor is adjudged a ward of the court on the ground that he or she is a person described by Section 601 or Section 602 the court may make any and all reasonable orders for the care, supervision, custody, conduct, maintenance, and support of such a minor, including medical treatment, subject to further order of the court.

The court shall order the care, custody, and control of the minor to be under the supervision of the probation officer who may place the minor in any of the following:

(1) The home of a relative.

(2) A suitable licensed community care facility.

(3) With a home-finding agency to be placed in a suitable licensed home or exclusive use home which has been certified by the agency as meeting licensing standards.

(b) Where the court has ordered a specific minor placed under the supervision of the probation officer and the probation officer has found that the needs of the child cannot be met in any available licensed or exempt facility, including emergency shelter, the minor may be placed in a suitable family home that has filed a license application with the State Department of Social Services, provided that all the following certification conditions are met:

(1) A preplacement home visit is made by the probation officer to determine the suitability of the family home.

(2) The probation officer verifies to the licensing agency in writing that the home lacks any deficiencies which would threaten the physical health, mental health, safety, or welfare of the minor.

(3) The probation officer notifies the licensing agency of the proposed placement and determines that the foster family home applicant has filed specific license application documents prior to and after the placement of the minor. If the license is subsequently denied, the minor shall be removed from the home immediately. The denial of the license constitutes a withdrawal of the certification.

When a minor has been adjudged a ward of the court on the ground that he or she is a person described in Section 601 or 602 and the court finds that notice has been given in accordance with Section 661, and when the court orders that a parent or guardian shall retain custody of such minor subject to the supervision of the probation officer, the parent or guardian may be required to participate with such minor in a counseling or education program including, but not

limited to, parent education and parenting programs operated by community colleges, school districts or other appropriate agencies designated by the court.

(c) The juvenile court may direct any and all reasonable orders to the parents, guardians, or foster parents of the minor who is the subject of any proceedings under this chapter as the court deems necessary and proper to carry out the provisions of subdivisions (a) and (b).

CHAPTER 163

An act to add Section 1373.7 to the Health and Safety Code, and to add Sections 10179 and 11513 to the Insurance Code, relating to health insurance.

[Approved by Governor June 4, 1984. Filed with Secretary of State June 5, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1373.7 is added to the Health and Safety Code, to read:

1373.7. A health care service plan that offers or provides one or more podiatry services, as defined in Section 2472 of the Business and Professions Code, as a specific podiatric plan benefit shall not refuse to give reasonable consideration to affiliation with podiatrists for the provision of service solely on the basis that they are podiatrists.

SEC. 2. Section 10179 is added to the Insurance Code, to read:

10179. A disability insurer that offers or provides coverage for any of the podiatric benefits, as defined in Section 2472 of the Business and Professions Code, as a specific plan benefit or otherwise, shall not refuse to give reasonable consideration to negotiating contracts with or affiliation with podiatrists for the provision of service solely on the basis that they are podiatrists.

SEC. 3. Section 11513 is added to the Insurance Code, to read:

11513. A nonprofit hospital service plan that offers or provides one or more podiatry services, as defined in Section 2472 of the Business and Professions Code, as a specific podiatric plan benefit shall not refuse to give reasonable consideration to affiliation with podiatrists for the provision of service solely on the basis that they are podiatrists.

CHAPTER 164

An act relating to parks and recreation.

[Approved by Governor June 8, 1984 Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The Legislature hereby finds and declares that Heritage Park, which is operated by the County of Kern and consists of 19.83 acres, has acreage and facilities that are more than sufficient to meet the park and recreation needs of persons residing in the neighborhood served by it. This act involves circumstances that are unique to Heritage Park and its environs. The Legislature, therefore, further finds and declares that this act cannot and shall not be construed as precedent for any other legislation affecting conversion of parklands to a nonpark purpose.

Accordingly, notwithstanding the Public Park Preservation Act of 1971 (Chapter 2.5 (commencing with Section 5400) of Division 5 of the Public Resources Code) or any other provision of law, the County of Kern may, after holding at least one public hearing on the question, construct juvenile court facilities on not more than 5.0 acres of Heritage Park without providing replacement parklands.

CHAPTER 165

An act to amend Section 14826 of, and to add Section 14831 to, the Health and Safety Code, relating to fire companies.

[Approved by Governor June 8, 1984 Filed with Secretary of State June 8, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 14826 of the Health and Safety Code is amended to read:

14826. The certificate shall set forth the following matters:

(a) The date of organization.

(b) The name of the company.

(c) The names of the officers.

(d) The roll of active and honorary members.

(e) Where an ordinance has been adopted pursuant to Section 14831, a copy of the determination of the board of supervisors pursuant to Section 14831.

SEC. 2. Section 14831 is added to the Health and Safety Code, to read:

14831. The board of supervisors of a county which has a

population of 1,000,000 or more on or after January 1, 1985, may, by ordinance, regulate the formation and continued existence of fire companies. The board of supervisors may authorize the formation of any new fire company within the county where it determines that a reasonable level of fire services does not already exist and where the provision of supplemental or competing fire services by any other entity would not result in the mismanagement of emergencies or in confusion to those seeking aid.

The board of supervisors may order that any fire companies formed pursuant to this part may continue to exist upon making the determination that the circumstances stated above exist. The board of supervisors may, by ordinance, establish additional regulations and criteria for the establishment and ongoing operation of fire companies organized pursuant to this part.

SEC. 3. The Legislature hereby finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances of counties which have a population of 1,000,000 or more in coordinating the provision of fire suppression services

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CHAPTER 166

An act to amend the heading of Chapter 15.5 (commencing with Section 19280) of Part 4 of Division 14 of, and to add Section 19280.5 to, the Streets and Highways Code, relating to highway lighting districts.

[Approved by Governor June 8, 1984. Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The heading of Chapter 15.5 (commencing with Section 19280) of Part 4 of Division 14 of the Streets and Highways Code is amended to read:

CHAPTER 15.5. DISSOLUTION UPON ANNEXATION TO MAINTENANCE DISTRICT OR ESTABLISHMENT OF A COUNTY SERVICE AREA, A COMMUNITY SERVICES DISTRICT, OR A CITY

SEC. 2. Section 19280.5 is added to the Streets and Highways Code, to read:

19280.5. A district organized under this part may be dissolved by a resolution of the board of supervisors, after a public hearing, where a community services district has been established, or a city has been formed, to provide service to all or part of the territory of the district and the community services district or the city, as the case may be,

has elected to assume all the assets and liabilities of the dissolved district.

CHAPTER 167

An act to amend Section 4 of the Mojave Water Agency Law (Chapter 2146 of the Statutes of 1959), relating to the Mojave Water Agency.

[Approved by Governor June 8, 1984. Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 4 of the Mojave Water Agency Law (Chapter 2146 of the Statutes of 1959) is amended to read:

Sec. 4. The board of directors shall consist of seven directors, all of whom shall be registered to vote within the agency. The directors elected under this act shall hold office until the election and qualifications of their successors.

The term of office of each director shall be four years and as provided in the Uniform District Election Law (Part 3 (commencing with Section 23500) of Division 14 of the Elections Code).

All vacancies occurring in the office of director shall be filled by appointment by a majority of the remaining directors and as provided in Section 1780 of the Government Code. Notwithstanding any other provision of law, an appointment to fill a vacancy in the office of director shall be for the unexpired term of the office in which the vacancy occurs. The person so chosen to fill a vacancy shall be a resident of the division for which the vacancy is being filled.

Successive elective members of the board of directors shall be elected by the voters of the agency as provided in this act.

The seven members of the board of directors, designated and referred to as members numbered 1 through 7, respectively, shall be elected, one from each of the seven divisions of the agency provided for in Section 3.1 and as relocated pursuant to Section 32.5. Each director shall be voted on only by those voters living within the division of which the director is a resident in accordance with the provisions of this act pertaining to the qualifications of directors.

Directors numbers 1, 3, 5, and 7 shall hold office until their successors are elected and qualified at the general district election which shall be held in November, 1979. Directors numbers 2, 4, and 6 shall hold office until their successors are elected and qualified at the general district election which shall be held in November, 1981. This paragraph is declaratory of existing law and shall be interpreted to be a continuation of such existing law.

In case any two or more persons receive an equal number of votes, the board shall forthwith summon the candidates who have received

the equal number of votes to appear before it, at a time and place to be designated by the board, and the board shall, at the time and place, determine by lot which person shall be deemed elected.

The succeeding elective directors shall be nominated and elected at the agency general election which shall be held on the first Tuesday after the first Monday in November in each odd-numbered year. The election shall be conducted in accordance with the provisions of the Uniform District Election Law, and elective directors shall take office at noon on the last regular meeting date of the board in November following the agency general election.

At the time each director is elected, he or she shall be a resident of both the agency and the division he or she represents. A director who removes his or her residence from the agency shall no longer be qualified to act as a director, and the board shall fill the vacancy so created as provided in this section. A director is not disqualified from serving for the remainder of his or her term if, during such term, his or her residence is removed from one division to another.

CHAPTER 168

An act relating to the Improvement Bond Act of 1915, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 8, 1984. Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The City of Corona may issue an initial series of bonds pursuant to the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code), for its Assessment District No. 79-2 which was formed and had an assessment confirmed and levied on March 23, 1983. The proceeds from the initial series of bonds may be used for reimbursing the City of Corona and owners of property within that assessment district for amounts advanced and paid, and expenses incurred by the city, for engineering services, legal services, and services of city employees in connection with the planning and design of the acquisitions and improvements for the assessment district, the formation of the assessment district and the levy of the assessment on the land therein, right-of-way acquisition, and other matters relating to the assessment district and the issuance and sale of the bonds therefor, all of which have been included in the assessment as incidental expenses of the acquisitions and improvements. The city may issue subsequent series of bonds for the assessment district up to the total amount of the unpaid assessment for financing the acquisitions and improvements.

SEC. 2. The Legislature finds and declares that a special law is

necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique and special circumstances relating to the formation of Assessment District No. 79-2 in the City of Corona and the issuance and sale of bonds therefor which are not common to other local agencies. The City of Corona has completed the formation of the assessment district, has confirmed and levied an assessment on the land therein, has received bids for the construction and installation of the improvements therefor, but has been unable to issue and sell bonds in the unpaid amount of the assessment to finance the acquisitions and improvements because of financial difficulties of a major owner of land within the assessment district which were not foreseeable at the time of the commencement of the proceedings for the formation of the assessment district, the award of contracts for the necessary planning and design, and the incurring by the city of the above costs and expenses. The financial difficulties only became known when the city attempted to sell the bonds for the assessment district. Until that property owner has resolved its financial difficulties, the city cannot issue and sell bonds in the full amount necessary to finance the acquisitions and improvements and may not be able to recover its expenses and costs without the authorization contained in Section 1 of this act.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to enable the City of Corona to recover the costs and expenses for Assessment District No. 79-2 at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 169

An act to amend Section 25150 of the Government Code, relating to counties.

[Approved by Governor June 8, 1984 Filed with Secretary of State June 8, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 25150 of the Government Code is amended to read:

25150. (a) Except as otherwise provided in subdivision (b), within 10 days after each session of the board of supervisors, it shall cause to be published a fair statement of all its proceedings.

(b) In lieu of the requirements imposed by subdivision (a), the board of supervisors may provide copies of agendas and summaries of proceedings to every newspaper, radio and television station, and

library in the county, and to any other person who requests such information.

CHAPTER 170

An act to add Section 6519 to the Government Code, relating to local agencies.

[Approved by Governor June 8, 1984. Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 6519 is added to the Government Code, to read:

6519. Notwithstanding any other provision of law, the State of California does hereby pledge to, and agree with, the holders of bonds issued by any agency or entity created by a joint exercise of powers agreement by and among two or more cities, counties, or cities and counties, that the state will not change the composition of the issuing agency or entity unless such change in composition is authorized by a majority vote of the legislative body of each such city, county, or city and county, or by a majority vote of the qualified electors of each such city, county, or city and county.

"Change in composition," as used in this section, means the addition of any public agency or person to any agency or entity created by a joint exercise of powers agreement pursuant to this chapter, the deletion of any public agency from any such joint powers agency or entity, or the addition to, or deletion from, the governing body of any such joint powers agency, or entity of any public official of any member public agency or other public agency, or any other person.

CHAPTER 171

An act to amend Section 437c of the Code of Civil Procedure, relating to summary judgment.

[Approved by Governor June 8, 1984 Filed with Secretary of State June 8, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 437c of the Code of Civil Procedure is amended to read:

437c. (a) Any party may move for summary judgment in any action or proceeding if it is contended that the action has no merit

or that there is no defense thereto. The motion may be made at any time after 60 days have elapsed since the general appearance in the action or proceeding of each party against whom the motion is directed or at such earlier time after such general appearance as the court, with or without notice and upon good cause shown, may direct. Notice of the motion and supporting papers shall be served on all other parties to the action at least 28 days before the time appointed for hearing. However, if the notice is served by mail, the required 28-day period of notice shall be increased by five days if the place of address is within the State of California, 10 days if the place of address is outside the State of California but within the United States, and 20 days if the place of address is outside the United States. The motion shall be heard no later than 30 days before the date of trial, unless the court for good cause orders otherwise. The filing of the motion shall not extend the time within which a party must otherwise file a responsive pleading.

(b) The motion shall be supported by affidavits, declarations, admissions, answers to interrogatories, depositions and matters of which judicial notice shall or may be taken. The supporting papers shall include a separate statement setting forth plainly and concisely all material facts which the moving party contends are undisputed. Each of the material facts stated shall be followed by a reference to the supporting evidence. The failure to comply with this requirement of a separate statement may in the court's discretion constitute a sufficient ground for denial of the motion.

Any opposition to the motion shall be served and filed not less than 14 days preceding the noticed or continued date of hearing, unless the court for good cause orders otherwise. The opposition, where appropriate, shall consist of affidavits, declarations, admissions, answers to interrogatories, depositions and matters of which judicial notice shall or may be taken. The opposition papers shall include a separate statement which responds to each of the material facts contended by the moving party to be undisputed, indicating whether the opposing party agrees or disagrees that those facts are undisputed. The statement also shall set forth plainly and concisely any other material facts which the opposing party contends are disputed. Each material fact contended by the opposing party to be disputed shall be followed by a reference to the supporting evidence. Failure to comply with this requirement of a separate statement may constitute a sufficient ground, in the court's discretion, for granting the motion.

Any reply to the opposition shall be served and filed by the moving party not less than five days preceding the noticed or continued date of hearing, unless the court for good cause orders otherwise.

Evidentiary objections not made either in writing or orally at the hearing shall be deemed waived.

The provisions of Section 1005 and the provisions of subdivision (a) of Section 1013, extending the time within which a right may be exercised or an act may be done, do not apply to this section.

(c) The motion shall be granted if all the papers submitted show that there is no triable issue as to any material fact and that the moving party is entitled to a judgment as a matter of law. In determining whether the papers show that there is no triable issue as to any material fact the court shall consider all of the evidence set forth in the papers, except that to which objections have been made and sustained by the court, and all inferences reasonably deducible from such evidence, except summary judgment shall not be granted by the court based on inferences reasonably deducible from such evidence, if contradicted by other inferences or evidence, which raise a triable issue as to any material fact.

(d) Supporting and opposing affidavits or declarations shall be made by any person on personal knowledge, shall set forth admissible evidence, and shall show affirmatively that the affiant is competent to testify to the matters stated therein.

(e) If a party is otherwise entitled to a summary judgment pursuant to the provisions of this section, summary judgment shall not be denied on grounds of credibility or for want of cross-examination of witnesses furnishing affidavits or declarations in support of the summary judgment, except that summary judgment may be denied in the discretion of the court, where the only proof of a material fact offered in support of the summary judgment is an affidavit or declaration made by an individual who was the sole witness to such fact; or where a material fact is an individual's state of mind, or lack thereof, and such fact is sought to be established solely by the individual's affirmation thereof.

(f) When the moving party moves for summary adjudication of issues, either by itself or as an alternative to summary judgment, if it appears that the proof supports the granting of such motion as to some but not all the issues involved in the action, or that one or more of the issues raised by a claim is admitted, or that one or more of the issues raised by a defense is conceded, the court shall, by order, specify that such issues are without substantial controversy. Moreover, upon that motion, the court shall, by written or oral order, specify those issues raised by the motion as to which there exists a material, triable controversy, and refer to the evidence which establishes a triable issue of fact regarding each of those issues. At the trial of the action the issue so specified shall be deemed established and the action shall proceed as to the issues remaining.

(g) Upon the denial of a motion for summary judgment on the ground that there is a triable issue as to one or more material facts, the court shall, by written or oral order, specify one or more material facts raised by the motion as to which the court has determined there exists a triable controversy. This determination shall specifically refer to the evidence proffered in support of and in opposition to the motion which indicates that such triable controversy exists. The court shall also state its reasons for any other determination. The court shall record its determination by court reporter or written order.

(h) If it appears from the affidavits submitted in opposition to the motion that facts essential to justify opposition may exist but cannot, for reasons stated, then be presented, the court shall deny the motion, or order a continuance to permit affidavits to be obtained or discovery to be had or may make such other order as may be just.

(i) If the court determines at any time that any of the affidavits are presented in bad faith or solely for purposes of delay, the court shall order the party presenting such affidavits to pay the other party the amount of the reasonable expenses which the filing of the affidavits caused such other party to incur.

(j) Except where a separate judgment may properly be awarded in the action, no final judgment shall be entered on a motion for summary judgment prior to the termination of the action, but the final judgment shall, in addition to any matters determined in the action, award judgment as established by the summary proceeding herein provided for.

(k) In actions which arise out of an injury to the person or to property, when a motion for summary judgment was granted on the basis that the defendant was without fault, no other defendant during trial, over plaintiff's objection, may attempt to attribute fault to or comment on the absence or involvement of the defendant who was granted the motion.

(*l*) A summary judgment entered under this section is an appealable judgment as in other cases. Upon entry of any order pursuant to this section except the entry of summary judgment, a party may, within 10 days after service upon him of a written notice of entry of the order, or within such further time not exceeding 20 days as the trial court may for good cause allow, petition an appropriate reviewing court for a peremptory writ. If the notice is served by mail, the period within which to file the petition shall be increased by five days if the place of address is within the State of California, 10 days if the place of address is outside the State of California but within the United States, and 20 days if the place of address is outside the United States.

(m) Nothing in this section shall be construed to extend the period for trial provided by Section 1170.5.

(n) The provisions of subdivisions (a) and (b) shall not apply to actions brought pursuant to Chapter 4 (commencing with Section 1159) of Title 3 of Part 3.

CHAPTER 172

An act to amend Section 1001.16 of, and to repeal Section 1001.11 of, the Penal Code, relating to diversion programs.

[Approved by Governor June 8, 1984. Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1001.11 of the Penal Code is repealed.

SEC. 2. Section 1001.16 of the Penal Code is amended to read:

1001.16. In addition to the fees authorized or required by other provisions of law, a judge may require the payment of an administrative fee, as part of an enrollment fee in a diversion program, by a defendant accused of a misdemeanor to cover the cost of processing a request or application for diversion, not to exceed fifty dollars ($50). The fee shall be payable at the time of enrollment in the diversion program. The court shall take into consideration the defendant's ability to pay, and no defendant shall be denied diversion because of his or her inability to pay.

This section shall apply to all misdemeanor pretrial diversion programs established pursuant to this title.

CHAPTER 173

An act to amend Sections 81645 and 81645.5 of the Education Code, and to amend Sections 20111 and 20651 of the Public Contract Code, relating to schools.

[Approved by Governor June 8, 1984 Filed with Secretary of State June 8, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 81645 of the Education Code is amended to read:

81645. The governing board of any community college district may contract with an acceptable party who is one of the three lowest responsible bidders for the procurement or maintenance, or both, of electronic data-processing systems and supporting software in any manner the board deems appropriate.

SEC. 2. Section 81645.5 of the Education Code is amended to read:

81645.5. In addition to utilizing the procedures specified in Article 9 (commencing with Section 81450) of Chapter 2, any community college district may, by direct sale or otherwise, sell to a purchaser any electronic data-processing equipment or other major items of equipment owned by, or to be owned by, the district, if the purchaser agrees to lease the equipment back to the district for use by the district following the sale.

The approval by the governing board of the district of the sale and leaseback shall be given only if the governing board finds, by resolution, that the equipment is data-processing equipment or

another major item of equipment within the meaning of this section and that the sale and leaseback is the most economical means for providing electronic data-processing equipment or other major items of equipment to the district.

SEC. 3. Section 20111 of the Public Contract Code is amended to read:

20111. The governing board of any school district shall let any contracts involving an expenditure of more than fifteen thousand dollars ($15,000) for work to be done or more than twenty-one thousand dollars ($21,000) for materials or supplies to be furnished, sold, or leased to the district, to the lowest responsible bidder who shall give such security as the board requires, or else reject all bids. This section applies to all materials and supplies whether patented or otherwise.

SEC. 4. Section 20651 of the Public Contract Code is amended to read:

20651. The governing board of any community college district shall let any contracts involving an expenditure of more than fifteen thousand dollars ($15,000) for work to be done or more than twenty-one thousand dollars ($21,000) for materials or supplies to be furnished, sold, or leased to the district, to the lowest responsible bidder who shall give such security as the board requires, or else reject all bids. This section applies to all materials and supplies whether patented or otherwise.

CHAPTER 174

An act to add Section 1161.5 to the Code of Civil Procedure, relating to real property.

[Approved by Governor June 8, 1984 Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1161.5 is added to the Code of Civil Procedure, to read:

1161.5. When the notice required by Section 1161 states that the lessor or the landlord may elect to declare the forfeiture of the lease or rental agreement, that declaration shall be nullified and the lease or rental agreement shall remain in effect if the lessee or tenant performs within three days after service of the notice or if the breach is waived by the lessor or the landlord after service of the notice.

CHAPTER 175

An act to amend Section 22407 of the Public Utilities Code, relating to aeronautics.

[Approved by Governor June 8, 1984. Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 22407 of the Public Utilities Code is amended to read:

22407. Each member of the board of directors shall receive compensation in an amount not to exceed fifty dollars ($50) for each attendance at the meeting of the board held within the district, which amount shall be fixed from time to time by the board of directors. No director, however, shall receive pay for more than four meetings in any calendar month.

Each director shall be allowed, with the approval of the board, all traveling and other expenses necessarily incurred by the member in the performance of the member's duties.

CHAPTER 176

An act to add Section 1205.3 to the Penal Code, relating to criminal procedure.

[Approved by Governor June 8, 1984. Filed with Secretary of State June 8, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 1205.3 is added to the Penal Code, to read:

1205.3. In any case in which a defendant is convicted of an offense and granted probation, and the court orders the defendant either to pay a fine or to perform specified community service work as a condition of probation, the court shall specify in its order the amount of the fine and the number of hours of community service work that shall be performed as an alternative to payment of the fine.

CHAPTER 177

An act to amend Section 10131 of the Business and Professions Code, relating to real estate.

[Approved by Governor June 8, 1984. Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 10131 of the Business and Professions Code is amended to read:

10131. A real estate broker within the meaning of this part is a person who, for a compensation or in expectation of a compensation, regardless of the form or time of payment, does or negotiates to do one or more of the following acts for another or others:

(a) Sells or offers to sell, buys or offers to buy, solicits prospective sellers or puchasers of, solicits or obtains listings of, or negotiates the purchase, sale or exchange of real property or a business opportunity.

(b) Leases or rents or offers to lease or rent, or places for rent, or solicits listings of places for rent, or solicits for prospective tenants, or negotiates the sale, purchase or exchanges of leases on real property, or on a business opportunity, or collects rents from real property, or improvements thereon, or from business opportunities.

(c) Assists or offers to assist in filing an application for the purchase or lease of, or in locating or entering upon, lands owned by the state or federal government.

(d) Solicits borrowers or lenders for or negotiates loans or collects payments or performs services for borrowers or lenders or note owners in connection with loans secured directly or collaterally by liens on real property or on a business opportunity.

(e) Sells or offers to sell, buys or offers to buy, or exchanges or offers to exchange a real property sales contract, or a promissory note secured directly or collaterally by a lien on real property or on a business opportunity, and performs services for the holders thereof.

CHAPTER 178

An act to amend Section 1202.1 of the Elections Code, relating to elections.

[Approved by Governor June 8, 1984 Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1202.1 of the Elections Code is amended to read:

1202.1. (a) Notwithstanding any other provision of the law, a special absentee voter who qualifies pursuant to this section may apply for a special absentee voter ballot. Any application made pursuant to this section which is received by the clerk prior to the 60th day before the election shall be kept and processed on or after the 60th day before the election.

(b) If a special absentee voter submits an application containing a statement that provides that due to military or other contingencies that preclude normal mail delivery, as specified by the voter, the voter cannot vote an absentee ballot during the normal absentee voting period, and the voter is otherwise qualified to vote as a special absentee voter, the clerk shall immediately send the voter a ballot in a form prescribed and provided by the Secretary of State, or a ballot and voter registration card if required by Section 1200. The clerk shall send with the ballot a list of all candidates who have qualified for the ballot by the 60th day before the election and a list of all measures which are to be submitted to the voters and to which the voter is qualified to vote. The voter shall be entitled to write in the name of any specific candidate seeking the nomination or election to any office listed on the ballot.

(c) Notwithstanding Section 17101 or any other provision of law, any name written upon a ballot for a particular office pursuant to subdivision (b) shall be counted for the office or nomination.

(d) The clerk shall receive and canvass special absentee voter ballots described in this section under the same procedure as absent voter ballots, insofar as that procedure is not inconsistent with the provisions of this section, except that prior to election day, special absentee voter ballots shall be secured separately in a sealed ballot box reserved for that purpose.

(e) In the event that a voter executes a special absentee ballot pursuant to this section and the military or other contingency does not exist during the normal absentee voting period, that voter may make an application for an absentee ballot pursuant to Sections 1200 and 1201. If an application is made pursuant to this subdivision, the clerk shall reject the voted ballot previously cast and process the application in accordance with Chapter 1 (commencing with Section 1000).

(f) This section shall be operative until January 1, 1989, and as of that date is repealed.

CHAPTER 179

An act to add Section 61601.3 to, and to repeal Sections 61601.3 and 61601.4 of, the Government Code, and to amend Sections 72 and 73 of, and to repeal Section 73.1 of, the Mendocino County Flood Control and Water Conservation District Act (Chapter 995 of the Statutes of 1949), relating to special districts.

[Approved by Governor June 8, 1984. Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 61601.3 of the Government Code is repealed.

SEC. 2. Section 61601.3 is added to the Government Code, to read:

61601.3. (a) Notwithstanding the provisions of Section 61601 or of Section 20681 of the Public Contract Code, whenever the board of directors of a community services district, except the Groveland Community Services District, the McCloud Community Services District, the Clear Creek Community Services District, or the Big Bear City Community Services District, determines by resolution that it is feasible, economically sound, and in the public interest for that district to exercise its power for the purpose of constructing, installing, owning, maintaining, or operating hydroelectric power generating facilities, which facilities are constructed on or after January 1, 1985, and transmission lines for the conveyance of hydroelectric power, the board shall adopt that additional purpose by resolution entered in the minutes, and that power of the district may be exercised thereafter.

The board may, thereafter, divest the district of the power to carry on those activities in the same manner as it may acquire the power.

(b) A community services district shall not acquire property that is utilized to generate hydroelectric power for public utility purposes at the time the district adopts the resolution described in subdivision (a), unless the owner of that property agrees to the acquisition of that property by the district.

(c) The facilities shall be operated in a manner consistent with the district's storage, transmission, and distribution of domestic and irrigation water and in accordance with the provisions of Chapter 2.95 (commencing with Section 35580) of Part 5 of Division 13 of the Water Code.

SEC. 3. Section 61601.4 of the Government Code is repealed.

SEC. 4. Section 72 of the Mendocino County Flood Control and Water Conservation District Act (Chapter 995 of the Statutes of 1949) is amended to read:

Sec. 72. The general improvement district election shall be held on the first Tuesday after the first Monday in November in each odd-numbered year, as provided in Section 23509 of the Elections Code.

SEC. 5. Section 73 of the Mendocino County Flood Control and Water Conservation District Act (Chapter 995 of the Statutes of 1949) is amended to read:

Sec. 73. Elections shall be called and conducted and the results canvassed, returned, and declared pursuant to the provisions of the Uniform District Election Law (Part 3 (commencing with Section 23500) of Division 14 of the Elections Code).

SEC. 6. Section 73.1 of the Mendocino County Flood Control and Water Conservation District Act (Chapter 995 of the Statutes of

1949) is repealed.

CHAPTER 180

An act to add Section 2315.1 to the Public Resources Code, relating to mining.

[Approved by Governor June 8, 1984 Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 2315.1 is added to the Public Resources Code, to read:

2315.1. The board of supervisors, may require, by resolution, that any person filing an affidavit pursuant to Section 2315 demonstrate proof of payment of any unsecured tax levied against the mining claim on which the affidavit is filed, prior to the recordation of the affidavit.

If a resolution is adopted by the board of supervisors pursuant to this section, it may include the following provisions, and any other provisions determined by the board as necessary to carry out the intent of this section:

(a) A provision prohibiting the county recorder from accepting the affidavit for recordation without the tax collector's certification that the taxes have been paid.

(b) A provision requiring the following:

(1) That the county recorder forward the affidavit to the tax collector if the county recorder receives an affidavit for recording by mail and the affidavit does not contain the tax collector's certification that the taxes have been paid.

(2) That, if applicable, the tax collector then certify that the taxes have been paid on the face of the affidavit and return the document to the county recorder for recording.

(3) That if the taxes have not been paid, the tax collector return the affidavit unrecorded to the filer.

CHAPTER 181

An act to amend Section 22507 of, and to add Section 21101.6 to, the Vehicle Code, relating to highways.

[Approved by Governor June 8, 1984 Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 21101.6 is added to the Vehicle Code, to read:

21101.6. Notwithstanding Section 21101, local authorities may not place gates or other selective devices on any street which deny or restrict the access of certain members of the public to the street, while permitting others unrestricted access to the street.

This section is not intended to make a change in the existing law, but is intended to codify the decision of the Court of Appeal in City of Lafayette v. County of Contra Costa (91 Cal. App. 3d 749).

SEC. 2. Section 22507 of the Vehicle Code is amended to read:

22507. Local authorities may, by ordinance or resolution, prohibit or restrict the parking or standing of vehicles, including vehicles which are six feet or more in height (including any load thereon) within 100 feet of any intersection, on certain streets or highways, or portions thereof, during all or certain hours of the day. The ordinance or resolution may include a designation of certain streets upon which preferential parking privileges are given to residents and merchants adjacent to the streets for their use and the use of their guests, under which the residents and merchants may be issued a permit or permits which exempt them from the prohibition or restriction of the ordinance or resolution. With the exception of alleys, no such ordinance or resolution shall apply until signs or markings giving adequate notice thereof have been placed. A local ordinance or resolution adopted pursuant to this section may contain provisions which are reasonable and necessary to insure the effectiveness of a preferential parking program.

CHAPTER 182

An act to amend Section 27471 of the Government Code, relating to coroners.

[Approved by Governor June 8, 1984. Filed with Secretary of State June 8, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 27471 of the Government Code is amended to read:

27471. (a) Whenever the coroner takes custody of a dead body pursuant to law, he or she shall make a reasonable attempt to locate the family. After a reasonable attempt, the coroner may embalm the body or authorize the embalming by a mortician for purposes of preserving the remains for evidence, to prevent microbial and contagious disease hazards, or for investigative functions. If the embalming has been requested by the family or by a person

authorized to take charge of the body prior to such embalming, and such family or person has agreed to accept the expense, the coroner may charge and collect up to one hundred thirty-five dollars ($135). Any family, however, which has not been located within 24 hours of the custody by the coroner of the body, shall not be charged more than sixty-five dollars ($65).

This subdivision shall only apply to counties that own and maintain a central morgue with a paid, full-time staff that performs embalming.

(b) Except as provided in subdivision (a), whenever the coroner takes custody of a dead body pursuant to law, he or she may embalm the body, and charge and collect up to one hundred thirty-five dollars ($135) from the person entitled to its custody, except when the body is that of a child not more than 14 years of age or a person for whose burial there is available less than one hundred fifty dollars ($150), in which cases the expense of embalming is a county charge. In any county where the coroner is paid a salary, the fee shall be paid into the county treasury, except that the board of supervisors may order that the fee be paid to the coroner if the coroner is a funeral director in the county.

(c) The board of supervisors shall by ordinance establish the fee to be charged pursuant to this section.

(d) The board of supervisors may increase the amount of the fees specified in subdivisions (a) and (b) pursuant to Chapter 12.5 (commencing with Section 54985) of Part 1 of Division 2 of Title 5.

CHAPTER 183

An act to amend Sections 1801 and 1828.5 of the Probate Code, relating to conservatorships.

[Approved by Governor June 8, 1984. Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1801 of the Probate Code is amended to read:

1801. Subject to Section 1800:

(a) A conservator of the person may be appointed for a person who is unable properly to provide for his or her personal needs for physical health, food, clothing, or shelter, except as provided for such person as described in subdivision (b) or (c) of Section 1828.5.

(b) A conservator of the estate may be appointed for a person who is substantially unable to manage his or her own financial resources or resist fraud or undue influence, except as provided for such person as described in subdivision (b) or (c) of Section 1828.5. Substantial inability may not be proved solely by isolated incidents of negligence

or improvidence.

(c) A conservator of the person and estate may be appointed for a person described in subdivisions (a) and (b).

(d) A limited conservator of the person or of the estate, or both, may be appointed for a developmentally disabled adult.

(1) Such limited conservatorships shall be utilized only as necessary to promote and protect the well-being of the individual, shall be designed to encourage the development of maximum self-reliance and independence of the individual, and shall be ordered only to the extent necessitated by the individual's proven mental and adaptive limitations.

(2) The conservatee of the limited conservator shall not be presumed to be incompetent and shall retain all legal and civil rights except those which by court order have been designated as legal disabilities and have been specifically granted to the limited conservator.

(3) The intent of the Legislature, as expressed in Section 4501 of the Welfare and Institutions Code, that developmentally disabled citizens of this state receive services resulting in more independent, productive, and normal lives and that such services shall be the underlying mandate of this division in its application to adults alleged to be developmentally disabled.

SEC. 2. Section 1828.5 of the Probate Code is amended to read:

1828.5. (a) At the hearing on the petition for appointment of a limited conservator for an allegedly developmentally disabled adult, the court shall do each of the following:

(1) Inquire into the nature and extent of the general intellectual functioning of the individual alleged to be developmentally disabled.

(2) Evaluate the extent of the impairment of his or her adaptive behavior.

(3) Ascertain his or her capacity to care for himself or herself and his or her property.

(4) Inquire into the qualifications, abilities, and capabilities of the person seeking appointment as limited conservator.

(5) If a report by the regional center, in accordance with Section 1827.5, has not been filed in court because the proposed limited conservatee withheld his or her consent to assessment by the regional center, the court shall determine the reason for withholding such consent.

(b) If the court finds that the proposed limited conservatee possesses the capacity to care for himself or herself and to manage his or her property as a reasonably prudent person, the court shall dismiss the petition for appointment of a limited conservator.

(c) If the court finds that the proposed limited conservatee lacks the capacity to perform some, but not all, of the tasks necessary to provide properly for his or her own personal needs for physical health, food, clothing, or shelter, or to manage his or her own financial resources, the court shall appoint a limited conservator for the person or the estate or the person and the estate.

(d) If the court finds that the proposed limited conservatee lacks the capacity to perform all of the tasks necessary to provide properly for his or her own personal needs for physical health, food, clothing, or shelter, or to manage his or her own financial resources, the court shall appoint either a conservator or a limited conservator for the person or the estate, or the person and the estate.

(e) The court shall define the powers and duties of the limited conservator so as to permit the developmentally disabled adult to care for himself or herself or to manage his or her financial resources commensurate with his or her ability to do so.

(f) Prior to the appointment of a limited conservator for the person or estate or person and estate of a developmentally disabled adult, the court shall inform the proposed limited conservatee of the nature and purpose of the limited conservatorship proceeding, that the appointment of a limited conservator for his or her person or estate or person and estate will result in the transfer of certain rights set forth in the petition and the effect of such transfer, the identity of the person who has been nominated as his or her limited conservator, that he or she has a right to oppose such proceeding, and that he or she has a right to have the matter tried by jury. After communicating such information to the person and prior to the appointment of a limited conservator, the court shall consult the person to determine his or her opinion concerning the appointment.

CHAPTER 184

An act to add Article 4.5 (commencing with Section 2099.5) and Article 7.5 (commencing with Section 2154) to Chapter 5 of Division 2 of the Business and Professions Code, relating to osteopaths, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 8, 1984 Filed with Secretary of State June 8, 1984]

The people of the State of California do enact as follows:

SECTION 1. Article 4.5 (commencing with Section 2099.5) is added to Chapter 5 of Division 2 of the Business and Professions Code, to read:

Article 4.5. Osteopathic Requirements for Licensure

2099.5. Notwithstanding any other provision of law, an originating license for an osteopathic physician's and surgeon's certificate issued by the Board of Osteopathic Examiners shall require the following:

(a) A written examination, as specified or approved by the Board of Osteopathic Examiners which includes osteopathic principles and

practices and all applicable provisions of Article 4 (commencing with Section 2080). An applicant shall receive a minimum grade of 75 percent on the written examination.

The board may utilize the National Board of Osteopathic Examiners' examination for the written examination required by this subdivision and may make such arrangements with organizations furnishing examination material as it may deem desirable.

(b) An oral and practical examination administered by the board in which the applicant shall receive a minimum grade of 75 percent.

SEC. 2. Article 7.5 (commencing with Section 2154) is added to Chapter 5 of Division 2 of the Business and Professions Code, to read:

Article 7.5. Osteopathic Reciprocity Applications

2154. Notwithstanding any other provisions of law, the Board of Osteopathic Examiners shall issue a osteopathic physician's and surgeon's certificate on reciprocity to an applicant providing he or she meets the following requirements:

(a) The applicant holds an unrestricted license to engage in the practice of osteopathic medicine in another state whose written licensing examination is recognized and approved by the board.

(b) The board determines that no disciplinary action has been taken against the applicant by any medical licensing authority and that the applicant has not been the subject of adverse judgments or settlements resulting from the practice of medicine which the board determines constitutes evidence of a pattern of negligence or incompetence.

(c) The applicant takes and passes an oral and comprehensive clinical examination.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the provisions of this act shall apply to examinations scheduled for June 1984, it is necessary that this act go into immediate effect.

CHAPTER 185

An act to amend Section 3262 of the Civil Code, relating to mechanics' liens.

[Approved by Governor June 8, 1984. Filed with Secretary of State June 8, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 3262 of the Civil Code is amended to read:

3262. (a) Neither the owner nor original contractor by any term of their contract, or otherwise, shall waive, affect, or impair the claims and liens of other persons whether with or without notice except by their written consent, and any term of the contract to that effect shall be null and void. Any written consent given by any claimant pursuant to this subdivision shall be null, void, and unenforceable unless and until the claimant executes and delivers a waiver and release. Such a waiver and release shall be binding and effective to release the owner, construction lender and surety on a payment bond from claims and liens only if the waiver and release follows substantially one of the forms set forth in this section and is signed by the claimant or his authorized agent, and, in the case of a conditional release, there is evidence of payment to the claimant. Evidence of payment may be by the claimant's endorsement on a single or joint payee check which has been paid by the bank upon which it was drawn or by written acknowledgment of payment given by the claimant.

(b) No oral or written statement purporting to waive, release, impair or otherwise adversely affect a claim is enforceable or creates any estoppel or impairment of a claim unless (1) it is pursuant to a waiver and release prescribed herein or (2) the claimant had actually received payment in full for the claim.

(c) This section does not affect the enforceability of either an accord and satisfaction regarding a bona fide dispute or any agreement made in settlement of an action pending in any court provided the accord and satisfaction or agreement and settlement make specific reference to the mechanic's lien, stop notice, or bond claims.

(d) The waiver and release given by any claimant hereunder shall be null, void, and unenforceable unless it follows substantially the following forms in the following circumstances:

(1) Where the claimant is required to execute a waiver and release in exchange for, or in order to induce the payment of, a progress payment and the claimant is not, in fact, paid in exchange for the waiver and release or a single payee check or joint payee check is given in exchange for the waiver and release, the waiver and release shall follow substantially the following form:

CONDITIONAL WAIVER AND RELEASE UPON PROGRESS PAYMENT

Upon receipt by the undersigned of a check from

_____ in the sum of $_____

(Maker of Check) (Amount of Check)

payable to _____

(Payee or Payees of Check)

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release pro tanto any mechanic's lien, stop notice or bond right the undersigned has on the job of _____ located at
(Owner)
_____ to the following extent. This
(Job Description)
release covers a progress payment for labor, services, equipment or material furnished to _____
(Your Customer)
through _____ only and does not cover any
(Date)
retention or items furnished after said date. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

Dated: _____ _____
(Company Name)
By _____
(Title)

(2) Where the claimant is required to execute a waiver and release in exchange for, or in order to induce payment of, a progress payment and the claimant asserts in the waiver it has, in fact, been paid the progress payment, the waiver and release shall follow substantially the following form:

UNCONDITIONAL WAIVER AND RELEASE UPON PROGRESS PAYMENT

The undersigned has been paid and has received a progress payment in the sum of $_____ for labor, services, equipment or material furnished to
_____ on the job of _____
(Your Customer) (Owner)
located at _____ and does hereby release
(Job Description)
pro tanto any mechanic's lien, stop notice or bond right that the undersigned has on the above referenced job to the following extent. This release covers a progress payment for labor, services, equipment or materials furnished to _____ through
_____
(Date) (Your Customer)
only and does not cover any retention or items furnished after that date.

Dated: _____ _____
(Company Name)

By _____
(Title)

"Each unconditional waiver in this provision shall contain the following language, in at least as large a type as the largest type otherwise on the document:

NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM."

(3) Where the claimant is required to execute a waiver and release in exchange for, or in order to induce the payment of, a final payment and the claimant is not, in fact, paid in exchange for the waiver and release or a single payee check or joint payee check is given in exchange for the waiver and release, the waiver and release shall follow substantially the following form:

CONDITIONAL WAIVER AND RELEASE UPON FINAL PAYMENT

Upon receipt by the undersigned of a check from _____ in the sum of $_____ payable to _____ and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has on the job of _____ located at
(Owner)

_____ . This release covers the
(Job Description)

final payment to the undersigned for all labor, services, equipment or material furnished on the job, except for disputed claims for additional work in the amount of $_____. Before any recipient of this document relies on it, the party should verify evidence of payment to the undersigned.

Dated: _____ _____
(Company Name)

By _____
(Title)

(4) Where the claimant is required to execute a waiver and release in exchange for, or in order to induce payment of, a final payment and the claimant asserts in the waiver it has, in fact, been paid the final payment, the waiver and release shall follow substantially the following form:

UNCONDITIONAL WAIVER AND RELEASE UPON FINAL PAYMENT

The undersigned has been paid in full for all labor, services, equipment or material furnished to

_____ on the job of _____
(Your Customer) (Owner)

located at _____ and does hereby waive
(Job Description)

and release any right to a mechanic's lien, stop notice, or any right against a labor and material bond on the job, except for disputed claims for extra work in the amount of $_____.

Dated: _____ _____
(Company Name)

By _____
(Title)

"Each unconditional waiver in this provision shall contain the following language, in at least as large a type as the largest type otherwise on the document:
NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM."

CHAPTER 186

An act to add Chapter 2 (commencing with Section 20200) to Division 10 of the Water Code, relating to water districts.

[Approved by Governor June 11, 1984 Filed with Secretary of State June 11, 1984]

The people of the State of California do enact as follows:

SECTION 1. Chapter 2 (commencing with Section 20200) is added to Division 10 of the Water Code, to read:

CHAPTER 2. COMPENSATION OF WATER DISTRICT DIRECTORS

20200. As used in this chapter, "water district" means any district or other political subdivision, other than a city or county, a primary function of which is the irrigation, reclamation, or drainage of land or the diversion, storage, or distribution of water primarily for domestic, municipal, agricultural, industrial, recreation, fish and

wildlife enhancement, flood control, or power production purposes. "Water districts" include, but are not limited to, irrigation districts, county water districts, California water districts, water storage districts, reclamation districts, county waterworks districts, drainage districts, water replenishment districts, levee districts, municipal water districts, water conservation districts, community services districts, flood control districts, flood control and floodwater conservation districts, flood control and water conservation districts, and water agencies.

20201. Notwithstanding any other provision of law, the governing board of any water district which is authorized under its principal act to provide compensation to members of the governing board in the amount of one hundred dollars ($100) or more per day for each day's attendance at meetings of the board, or for each day's service rendered as a member of the board by request of the board, may, by ordinance adopted pursuant to this chapter, increase the compensation received by members of the governing board above the amount of one hundred dollars ($100) or more per day.

It is the intent of the Legislature that any future increase in compensation received by members of the governing board of a water district above that amount be authorized by an ordinance adopted pursuant to this chapter and not by an act of the Legislature.

20202. In any ordinance adopted pursuant to this chapter to increase the amount of compensation which may be received by members of the governing board of a water district, the increase may not exceed an amount equal to 5 percent, for each calendar year following the operative date of the last adjustment, of the compensation which is received when the ordinance is adopted.

No ordinance adopted pursuant to this chapter shall authorize compensation for more than a total of six days in any calendar month.

20203. Any water district described in Section 20201 is authorized to adopt ordinances pursuant to this chapter. No ordinance shall be adopted pursuant to this chapter except following a public hearing. Notice of the hearing shall be published in a newspaper of general circulation pursuant to Section 6066 of the Government Code.

20204. An ordinance adopted pursuant to this chapter shall become effective 60 days from the date of its final passage. The voters of any water district shall have the right, as provided in this chapter, to petition for referendum on any ordinance adopted pursuant to this chapter.

20205. If a petition protesting against the adoption of the ordinance is presented to the governing board of the water district prior to the effective date of the ordinance, the ordinance shall be suspended and the governing board shall reconsider the ordinance.

If the number of votes cast for all candidates for Governor at the last gubernatorial election within the boundaries of the water district exceeds 500,000, the ordinance is subject to referendum upon presentation of a petition bearing signatures of at least 5 percent of the entire vote cast within the boundaries of the water district for all

candidates for Governor at the last gubernatorial election. If the number of votes cast for all candidates for Governor at the last gubernatorial election within the boundaries of the water district is less than 500,000, the ordinance is subject to referendum upon presentation of a petition bearing signatures of at least 10 percent of the entire vote cast within the boundaries of the water district for all candidates for Governor at the last gubernatorial election.

20206. If the governing board does not entirely repeal the ordinance against which a petition is filed, the governing board shall submit the ordinance to the voters either at a regular election or a special election called for the purpose. The ordinance shall not become effective unless and until a majority of the votes cast at the election are cast in favor of it. If the ordinance is not approved by the voters, no new ordinance may be adopted by the governing board pursuant to this chapter for at least one year following the date of the election.

20207. Except as otherwise provided in this chapter, the provisions of the Elections Code applicable to the right of referendum on legislative acts of districts shall govern the procedure on ordinances against which a petition is filed.

CHAPTER 187

An act to amend Sections 17510.2 and 17510.3 of the Business and Professions Code, relating to charitable solicitations.

[Became law without Governor's signature Filed with Secretary of State June 12, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 17510.2 of the Business and Professions Code is amended to read:

17510.2. (a) As used in this article, "solicitation for charitable purposes," means any request, plea, entreaty, demand, or invitation, or attempt thereof, to give money or property, in connection with which:

(1) Any appeal is made for charitable purposes; or

(2) The name of any charity, philanthropic or charitable organization is used or referred to in any such appeal as an inducement for making any such gift; or

(3) Any statement is made to the effect that such gift or any part thereof will go to or be used for any charitable purpose or organization.

(b) As used in this article, "sales solicitation for charitable purposes" means the sale of, offer to sell, or attempt to sell any advertisement, advertising space, book, card, chance, coupon device, magazine subscription, membership, merchandise, ticket of

admission or any other thing or service in connection with which:

(1) Any appeal is made for charitable purposes; or

(2) The name of any charity, philanthropic or charitable organization is used or referred to in any such appeal as an inducement for making any such sale; or

(3) Any statement is made to the effect that the whole or any part of the proceeds from such sale will go to or be used for any charitable purpose or organization.

(c) A solicitation for charitable purposes, or a sale, offer or attempt to sell for charitable purposes, shall include the making or disseminating or causing to be made or disseminated before the public in this state, in any newspaper or other publication, or any advertising device, or by public outcry or proclamation, or in any other manner or means whatsoever any such solicitation.

(d) For purposes of this article, "charity" shall include any person who, or any nonprofit community organization, fraternal, benevolent, educational, philanthropic, or service organization, or governmental employee organization which, solicits or obtains contributions solicted from the public for charitable purposes or holds any assets for charitable purposes.

SEC. 2. Section 17510.3 of the Business and Professions Code is amended to read:

17510.3. (a) Prior to any solicitation or sales solicitation for charitable purposes, the solicitor or seller shall exhibit to the prospective donor or purchaser a card entitled "Solicitation or Sale for Charitable Purposes Card." The card shall be signed and dated under penalty of perjury by an individual who is a principal, staff member, or officer of the soliciting organization. The card shall give the name and address of the soliciting organization or the person who signed the card and the name and business address of the paid individual who is doing the actual soliciting.

In lieu of exhibiting a card, the solicitor or seller may distribute during the course of the solicitation any printed material, such as a solicitation brochure, provided such material complies with the standards set forth below, and provided that the solicitor or seller informs the prospective donor or purchaser that such information as required below is contained in the printed material.

Information on the card or printed material shall be presented in at least 10-point type and shall include the following:

(1) The name and address of the combined campaign, each organization, or fund on behalf of which all or any part of the money collected will be utilized for charitable purposes.

(2) If there is no organization or fund, the manner in which the money collected will be utilized for charitable purposes.

(3) The amount, stated as a percentage of the total gift or purchase price, that will be used for charitable purposes.

(4) If paid fund raisers are paid a set fee rather than a percentage of the total amount raised, the card shall show the total cost that is estimated will be used for direct fundraising expenses.

(5) If the solicitation is not a sale solicitation, the card may state, in place of the amount of fundraising expenses, that an audited financial statement of such expenses may be obtained by contacting the organization at the address disclosed.

(6) The non-tax-exempt status of the organization or fund, if the organization or fund for which the money or funds are being solicited does not have a charitable tax exemption under both federal and state law.

(7) The percentage of the total gift or purchase price which may be deducted as a charitable contribution under both federal and state law. If no portion is so deductible the card shall state that "This contribution is not tax deductible."

(8) If the organization making the solicitation represents any nongovernmental organization by any name which includes, but is not limited to, the term, "officer," "peace officer," "police," "law enforcement," "reserve officer," "deputy," or "deputy sheriff," which would reasonably be understood to imply that the organization is composed of law enforcement personnel, the solicitor shall give the total number of members in the organization and the number of members working or living within the county where the solicitation is being made, and if the solicitation is for advertising, the statewide circulation of the publication in which the solicited ad will appear.

(b) Knowing and willful noncompliance by any individual volunteer who receives no compensation of any type from or in connection with a solicitation by any charitable organization shall subject the solicitor or seller to the penalties of the law.

(c) When the solicitation is not a sales solicitation, any individual volunteer who receives no compensation of any type from, or in connection with, a solicitation by any charitable organization may comply with the disclosure provisions by providing the name and address of the charitable organization on behalf of which all or any part of the money collected will be utilized for charitable purposes, by stating the charitable purposes for which the solicitation is made, and by stating to the person solicited that information about revenues and expenses of such organization, including its administration and fundraising costs, may be obtained by contacting the organization's office at the address disclosed. Such organization shall provide such information to the person solicited within seven days after receipt of the request.

(d) A volunteer who receives no compensation of any type from, or in connection with, a solicitation or sales solicitation by a charitable organization which has qualified for a tax exemption under Section 501(c)(3) of the Internal Revenue Code of 1954, and who is 18 years of age or younger, is not required to make any disclosures pursuant to this section.

CHAPTER 188

An act relating to parks and recreation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 12, 1984. Filed with Secretary of State June 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Pursuant to Section 5096.27 of the Public Resources Code, the County of San Mateo is hereby authorized to lease oil and gas rights underlying Pescadero Watershed Creek Park which was acquired with a grant of moneys under the Cameron-Unruh Beach, Park, Recreational, and Historical Facilities Bond Act of 1964 in Item 418(cc) of the Budget Act of 1966 (Chapter 2 of the Statutes of 1966, Second Extraordinary Session) and under Department of Parks and Recreation project No. 841-101, subject to all of the following conditions:

(a) One-half of all proceeds from the lease, if any, shall be transmitted to the Department of Parks and Recreation and deposited in the State Parks and Recreation Fund.

(b) One-half of all proceeds from the lease, if any, shall be deposited in a special fund established by the county to be held in trust and expended only for the acquisition or development, or both, of outdoor park and recreation facilities within the County of San Mateo. Any proceeds not expended for that purpose shall be transmitted to the Department of Parks and Recreation and deposited in the State Parks and Recreation Fund.

(c) Prior to encumbering any proceeds from the lease, the county shall enter into an agreement with the Department of Parks and Recreation with respect to any facilities to be acquired or developed as provided in Section 5096.27 of the Public Resources Code.

(d) Any moneys deposited in the State Parks and Recreation Fund pursuant to subdivision (a) or (b) shall be expended in accordance with the terms and conditions of the Cameron-Unruh Beach, Park, Recreational, and Historical Facilities Bond Act of 1964 (Chapter 1.6 (commencing with Section 5096.1) of Division 5 of the Public Resources Code).

(e) The production of oil and gas underlying the park shall only be by means of slant or directional drilling from surface locations outside of the park.

SEC. 2. Prior to any production of oil and gas underlying Pescadero Watershed Creek Park pursuant to the lease authorized in Section 1 of this act, the lessee under that lease shall fully comply with the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) and shall obtain the necessary development permits, including production well permits, from the county in which the well is

located.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to commence the work authorized by this act in June 1984, and to complete that work prior to the rainy season in the fall of 1984, it is necessary that this act take effect immediately.

CHAPTER 189

An act to amend Section 71603.3 of the Government Code, relating to courts.

[Approved by Governor June 12, 1984. Filed with Secretary of State June 13, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 71603.3 of the Government Code is amended to read:

71603.3. Notwithstanding the provisions of Sections 71602 and 71603, the board of supervisors of a county of the 34th class, 43rd class, or of the 51st class may by ordinance abolish the office of constable and, instead, require that the duties of constable be performed by the sheriff.

CHAPTER 190

An act to amend Section 366.25 of the Welfare and Institutions Code, relating to juvenile court law.

[Approved by Governor June 12, 1984. Filed with Secretary of State June 13, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 366.25 of the Welfare and Institutions Code is amended to read:

366.25. (a) In order to provide stable, permanent homes for children, a court shall, if the minor cannot be returned home pursuant to subdivision (e) of Section 366.2, conduct a permanency planning hearing to make a determination regarding the future status of the minor no later than 12 months after the original placement and periodically, but no less frequently than once each 18 months, thereafter during the continuation of foster care. The permanency planning hearing may be combined with the six

months' review as provided for in Section 366.

(b) Notice of the proceeding to conduct the review shall be mailed by the probation officer to the same persons as in an original proceeding, to the minor's present custodian, and to the counsel of record, by certified mail addressed to the last known address of the person to be notified, or shall be personally served on such persons not earlier than 30 days, nor later than 15 days prior to the date the review is to be conducted.

(c) At the hearing the court shall first determine whether the minor should be returned to his or her parent or guardian, pursuant to subdivision (e) of Section 366.2. If the minor is not returned to the custody of his or her parent or guardian the court shall determine whether there is a substantial probability that the minor will be returned to the physical custody of his or her parent or guardian within six months. If the court so determines it shall set another review hearing for not more than six months, which shall be a permanency planning hearing.

(d) If the court determines that the minor cannot be returned to the physical custody of his or her parent or guardian and that there is not a substantial probability that the minor will be returned within six months, the court shall develop a permanent plan for the minor. In order to enable the minor to obtain a permanent home the court shall make the following determinations and orders:

(1) If the court finds that the minor is adoptable, according to the provisions of this article, the court shall order the county counsel, or if there is no county counsel, the district attorney, to initiate an action to declare the minor permanently free from the custody and control of his or her parents or guardians pursuant to Section 232 of the Civil Code unless the court finds that any of the following conditions exist:

(A) The parents or guardians have maintained regular visitation and contact with the minor and the minor would benefit from continuing this relationship.

(B) A minor 12 years of age or older objects to termination of parental rights.

(C) The minor's foster parents are unable to adopt the minor because of exceptional circumstances which do not include an unwillingness to accept legal responsibility for the minor, but are willing and capable of providing the minor with a stable and permanent environment and the removal of the minor from the physical custody of his or her foster parents would be seriously detrimental to the emotional well-being of the minor.

(2) If the court finds that the minor is not adoptable or that one of the conditions in subparagraph (A), (B), or (C) of paragraph (1) apply, but that one or more adults are available and eligible to become legal guardians for the minor, the court shall order the appropriate county department to initiate or facilitate guardianship proceedings, unless the minor's foster parents are unable to become legal guardians of the minor because of exceptional circumstances which do not include an unwillingness to accept legal responsibility

for the minor, but are willing and capable of providing the minor with a stable and permanent environment and the removal of the minor from the physical custody of his or her foster parents would be seriously detrimental to the emotional well-being of the minor.

(3) If the court finds that the minor is not adoptable and that there is not a suitable adult available to become the legal guardian of the child, the court shall order the county welfare department or probation department to facilitate the placement of the minor in a home environment that can reasonably be expected to be stable and permanent. When the minor is in a foster home and the foster parents are willing and capable of providing a stable and permanent environment, the minor shall not be removed from the home if the removal would be seriously detrimental to the emotional well-being of the minor because the minor has substantial psychological ties to the foster parents.

(e) Notwithstanding Section 1510 of the Probate Code, the proceeding for the appointment for a guardian for a minor under this section shall be in the juvenile court. In such a case, the juvenile court shall have the power to appoint a guardian pursuant to the standards and procedures otherwise specified by the Probate Code.

(f) When an adoption of the minor has been granted, the court shall terminate its jurisdiction over the minor.

(g) Periodic reviews conducted by the court subsequent to the initial permanency planning hearing shall determine the appropriateness of the placement, the continuing appropriateness and extent of compliance with the permanent plan for the child, the extent of compliance with the case plan, and adequacy of services provided to the child.

(h) Physical custody of a minor by his or her parents or guardians for insubstantial periods during the 12-month period prior to a permanency planning hearing shall not serve to interrupt the running of such periods.

(i) Permanency planning hearings need not be held if (1) an action under Section 232 of the Civil Code has been commenced or (2) an action to establish a legal guardianship or appoint a legal guardian under the Probate Code has been commenced.

(j) Subsequent reviews shall be conducted every six months and be conducted by an administrative review board except when the court requires a court review or a court review is requested by the minor's parents or guardian or by the minor.

(k) Notwithstanding any other provision of law, the application of any person who, as a foster parent, has cared for a dependent child for whom the court has approved a permanent plan for adoption, or who has been freed for adoption, shall be given preference with respect to that child over all other applications for adoptive placement if the agency making the placement determines that the child has substantial emotional ties to the foster parent and removal from the foster parent would be seriously detrimental to the child's well-being.

As used in this subdivision, "preference" means that the application shall be processed and, if satisfactory, the family study shall be completed before the processing of the application of any other person for the adoptive placement of the child.

CHAPTER 191

An act to amend Section 413.10 of the Code of Civil Procedure, relating to summons.

[Approved by Governor June 12, 1984 Filed with Secretary of State June 13, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 413.10 of the Code of Civil Procedure is amended to read:

413.10. Except as otherwise provided by statute, a summons shall be served on a person:

(a) Within this state, as provided in this chapter.

(b) Outside this state but within the United States, as provided in this chapter or as prescribed by the law of the place where the person is served.

(c) Outside the United States, as provided in this chapter or as directed by the court in which the action is pending, or, if the court before or after service finds that the service is reasonably calculated to give actual notice, as prescribed by the law of the place where the person is served or as directed by the foreign authority in response to a letter rogatory. These rules are subject to the provisions of the Convention on the "Service Abroad of Judicial and Extrajudicial Documents" in Civil or Commercial Matters (Hague Service Convention).

CHAPTER 192

An act to amend Section 422 of the Probate Code, relating to estate administration.

[Approved by Governor June 12, 1984. Filed with Secretary of State June 13, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 422 of the Probate Code is amended to read:

422. (a) Administration of the estate of a person dying intestate must be granted to one or more of the following persons, who are entitled to letters in the following order:

(1) The surviving spouse, or some competent person whom he or she may request to have appointed.

In the event the surviving spouse is a party to an action in any court for separate maintenance, annulment, or dissolution of the marriage of the decedent and the surviving spouse, and was living apart from the decedent on the date of the decedent's death, then letters of administration pursuant to this subparagraph shall issue to the surviving spouse only after he or she has waived his or her right to file a petition under Section 650 of the Probate Code for transfer of any of the decedent's property to the surviving spouse.

(2) The children.

(3) The grandchildren.

(4) The parents.

(5) The brothers and sisters.

(6) A surviving spouse who is a party to an action in any court for separate maintenance, annulment, or dissolution of the marriage of the decedent and the surviving spouse and who was living apart from the decedent on the date of the decedent's death and who has not waived his or her right to file a petition under Section 650 of the Probate Code for transfer of any of the decedent's property to the surviving spouse.

(7) The next of kin entitled to share in the estate.

(8) The relatives of a previously deceased spouse, when such relatives are entitled to succeed to some portion of the estate.

(9) The conservator or guardian of the estate of the deceased person acting in that capacity at the date of death of the conservatee or ward.

(10) The public administrator.

(11) The creditors.

(12) Any person legally competent.

(b) A relative of the decedent who is entitled to priority under subdivision (a) is entitled to priority only if either of the following facts exist:

(1) The relative is entitled to succeed to all or part of the estate.

(2) The relative is a parent, grandparent, child, or grandchild of the decedent and either takes under the will of, or is entitled to succeed to all or part of the estate of, another deceased person who is entitled to succeed to all or part of the estate of the decedent.

CHAPTER 193

An act to amend Sections 7000, 7136, 8636, 12606, 19630.5, 19631, 19636, and 25500 of the Business and Professions Code, to amend Sections 170 and 751.53 of the Code of Civil Procedure, to amend Section 25536 of the Corporations Code, to amend Section 52182 of, to amend and renumber the heading of Chapter 3.3 (commencing with Section 44750) of Part 25 of Division 3 of Title 2 of, to repeal

Chapter 4 (commencing with Section 59300) of Part 32 of Division 4 of Title 2 of, to repeal the heading of Chapter 11.2 (commencing with Section 66920) of Part 40 of Division 5 of Title 3 of, the Education Code, to amend Sections 18320 and 24654 of the Financial Code, to amend Sections 4602, 6705, and 7710.5 of, and to repeal Section 8834.1 of, the Fish and Game Code, to amend Sections 4352, 5024, 11513, 12615, 42682, 55433, 56133, 62708.5, and 64717 of the Food and Agricultural Code, to amend Sections 3543.4, 11121, 16154, 16650, 19876, 19877, 20580.01, 21452, 22308, 22501, 22550.5, 22552, 22776, 25208.5, 50534, 66499.57, 66700, 66786.8, 66796.31, 66796.36, 66796.695, 66796.70, and 74955 of, to amend and renumber Sections 6546.6, 7800, 12419.8, 31510, 31510.1, 31510.2, 31510.3, 31510.4, 31510.5, 31510.6, 31510.7, 31510.8, and 31510.9 of, to amend and renumber the heading of Chapter 12 (commencing with Section 4600) of Division 5 of Title 1 of, to amend and renumber the heading of Chapter 25 (commencing with Section 7560) of Division 7 of Title 1 of, to amend and renumber the heading of Chapter 25 (commencing with Section 7800) of Division 7 of Title 1 of, to amend and renumber the heading of Chapter 5 (commencing with Section 13450) of Part 3 of Division 3 of Title 2 of, to repeal Section 18861 of, and to repeal the heading of Division 9 (commencing with Section 7900) of Title 1 of, the Government Code, to amend Sections 75, 1113, 1210, 6093, and 6093.1 of the Harbors and Navigation Code, to amend Sections 429.77, 437.7, 515, 519, and 533 of, to amend and renumber Sections 1337, 24342.1, and 50612 of, to repeal Sections 437.15 and 25174.2 of, and to repeal the heading of Article 7.9 (commencing with Section 419) of Chapter 2 of Part 1 of Division 1 of, the Health and Safety Code, to amend Sections 997, 1175, 11629, and 11629.5 of, to amend and renumber Section 11512.3 of, and to repeal the heading of Chapter 8 (commencing with Section 10650) of Part 2 of Division 2 of, the Insurance Code, to amend Sections 3201, 3202, and 3203 of the Labor Code, to amend Section 243.5 of, to amend the heading of Chapter 2 (commencing with Section 459) of Title 13 of Part 1 of, the Penal Code, to amend Sections 3320.1, 33200, and 33201 of the Public Resources Code, to amend Sections 529, 29654, 30273, 30450, 40224, 70125, and 100450 of, to amend and renumber Section 16487 of, and to repeal Chapter 11 (commencing with Section 97100) of Part 9 of Division 10 of, the Public Utilities Code, to amend Sections 2228, 2238, 8703, 8851, 23031, 23225, 23281, 23333, 23731, 23771, 24272, 24341, 24360, 24364, 24401, 24402, 25207, 25553.5, 25565, and 25671 of, and to amend and renumber Sections 23253a, 23253b, 23253c, 23254, and 25731a of, the Revenue and Taxation Code, to amend Sections 141, 5522, and 36022 of, and to amend and renumber Section 27122 of, the Streets and Highways Code, to amend Sections 127, 10201, and 10206 of, and to repeal the heading of Article 4 (commencing with Section 3100) of Chapter 5 of Part 2 of Division 1 of, the Unemployment Insurance Code, to amend Sections 320, 10500, and 21113 of, and to repeal Section 522 of, the Vehicle Code, to amend Sections 20560.1 and 71638.3 of the Water Code, to amend Section 5523 of, and to

amend and renumber Sections 14088.1 and 14132.3 of, and to repeal Section 14018.4 of, the Welfare and Institutions Code, and to repeal Sections 58 and 59 of Chapter 142 of the Statutes of 1983, relating to the maintenance of the codes.

[Approved by Governor June 12, 1984. Filed with Secretary of State June 13, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 7000 of the Business and Professions Code is amended to read:

7000. This chapter constitutes, and may be cited as, the Contractors' State License Law.

SEC. 2. Section 7136 of the Business and Professions Code is amended to read:

7136. The director shall designate a sum not to exceed 10 percent of the total income of the Contractors' State License Board for each fiscal year to be transferred to the Consumer Affairs Fund as the board's share of the cost of administration of the department.

SEC. 3. Section 8636 of the Business and Professions Code is amended to read:

8636. Disregard and violation of the buildings laws of the state, or of any of its political subdivisions, or of the safety laws, labor laws, health laws, or compensation insurance laws of the state relating to the practice of structural pest control is a ground for disciplinary action.

SEC. 4. Section 12606 of the Business and Professions Code is amended to read:

12606. No container wherein commodities are packed shall have a false bottom, false sidewalls, false lid or covering, or be otherwise so constructed or filled, wholly or partially, as to facilitate the perpetration of deception or fraud. No container shall be nonfunctionally slack filled, that is, filled to substantially less than its capacity for reasons other than (a) protection of the contents of the package or (b) the requirements of machines used for enclosing the contents in the package.

Any sealer may seize any container which facilitates the perpetration of deception or fraud and the contents of the container. By order of the justice's, municipal or superior court of the city or county within which a violation of this section occurs, the containers seized shall be condemned and destroyed or released upon such conditions as the court may impose to insure against their use in violation of this chapter. The contents of any condemned container shall be returned to the owner thereof if the owner furnishes proper facilities for the return.

SEC. 5. Section 19630.5 of the Business and Professions Code is amended to read:

19630.5. Notwithstanding any other provision of law, any county,

district agricultural association, citrus fruit fair defined in Section 4603 of the Food and Agricultural Code, or citrus fruit fair and exposition qualified to receive an allocation under Section 19626, may, with the approval of the Department of Food and Agriculture, expend any money available for expenditure by it for the construction or operation of recreational and cultural facilities of general public interest.

SEC. 6. Section 19631 of the Business and Professions Code is amended to read:

19631. Notwithstanding any other provision of law, the 1-A District Agricultural Association may, with the approval of the Department of Food and Agriculture, expend any money available for expenditure by it, for construction, repairs, and equipment.

SEC. 7. Section 19636 of the Business and Professions Code is amended to read:

19636. All money appropriated pursuant to this article to the California Exposition and State Fair, the Los Angeles County Fair, the Sixth District Agricultural Association, known and designated as the California Museum of Science and Industry, the citrus fruit fairs defined in Section 4603 of the Food and Agricultural Code, and the 1-A District Agricultural Association, except money allocated by the Director of Food and Agriculture for fair purposes under Section 19627.3, is exempt from Section 16304 of the Government Code, and shall remain available for expenditure from year to year until expended.

SEC. 8. Section 25500 of the Business and Professions Code is amended to read:

25500. (a) No manufacturer, winegrower, manufacturer's agent, rectifier, California winegrower's agent, distiller, bottler, importer, or wholesaler, or any officer, director, or agent of any such person shall:

(1) Hold the ownership, directly or indirectly, of any interest in any on-sale license.

(2) Furnish, give, or lend any money or other thing of value, directly or indirectly, to, or guarantee the repayment of any loan or the fulfillment of any financial obligation of, any person engaged in operating, owning, or maintaining any on-sale premises where alcoholic beverages are sold for consumption on the premises.

(3) Own any interest, directly or indirectly, in the business, furniture, fixtures, refrigeration equipment, signs, except signs for interior use mentioned in subdivision (g) of Section 25503, or lease in or of any premises operated or maintained under any on-sale license for the sale of alcoholic beverages for consumption on the premises where sold; or own any interest, directly or indirectly, in realty acquired after June 13, 1935, upon which on-sale premises are maintained unless the holding of the interest is permitted in accordance with rules of the department.

(b) This section does not apply to the holding by one person of a wholesaler's license and an on-sale license in counties not to exceed

15,000 population.

(c) This section does not apply to the financial or representative relationship between a manufacturer, winegrower, manufacturer's agent, rectifier, California winegrower's agent, distiller, bottler, importer, or wholesaler, or any officer, director or agent of such person, and a person holding only one of the following types of licenses:

(1) On-sale general license for a bona fide club.

(2) Club license (issued under Article 4 (commencing at Section 23425) of Chapter 3).

(3) Veterans' club license (issued under Article 5 (commencing at Section 23450) of Chapter 3).

(4) On-sale license for boats, trains, sleeping cars or airplanes where the alcoholic beverages produced or sold by the manufacturer, winegrower, manufacturer's agent, rectifier, California winegrower's agent, bottler, importer, or wholesaler or any officer, director, or agent of the person are not sold, furnished or given, directly or indirectly to the on-sale licensee.

SEC. 9. Section 170 of the Code of Civil Procedure is amended to read:

170. (a) No justice or judge shall sit or act as such in any action or proceeding:

(1) To which he or she is a party, or in which he or she is interested other than as a holder or owner of any capital stock of a corporation, or of any bond, note or other security issued by a corporation.

(2) In which he or she is interested as a holder or owner of any capital stock of a corporation, or of any bond, note or other security issued by a corporation.

(3) When he or she is related to either party, or to an officer of a corporation, which is a party, or to an attorney, counsel, or agent of either party, by consanguinity or affinity within the third degree computed according to the rules of law, or when he or she is indebted, through money borrowed as a loan, to either party, or to an attorney, counsel or partner of either party, or when he or she is so indebted to an officer of a corporation or unincorporated association which is a party. However, if the parties appearing in the action and not then in default, or the petitioner in any probate proceeding, or the executor, or administrator of the estate, or the guardian or conservator, or the commissioner, or the referee, or the attorney for any of the above named, or the party or his or her attorney in all other or special proceedings, shall sign and file in the action or matter, a stipulation in writing waiving the disqualification mentioned in this paragraph or in paragraph (2) or (4), the judge or court may proceed with the trial or hearing and the performance of all other duties connected therewith with the same legal effect as if no such disqualification existed.

(4) When, in the action or proceeding, or in any previous action or proceeding involving any of the same issues, he or she has been attorney or counsel for any party, or when he or she has given advice

to any party upon any matter involved in the action or proceeding, or when he or she has been retained or employed as attorney or counsel for any party within two years prior to the commencement of the action or proceeding.

(5) When it is made to appear probable that, by reason of bias or prejudice of the justice or judge a fair and impartial trial cannot be had before that justice or judge.

(6) When, by reason of permanent or temporary physical impairment, he or she is unable properly to perceive the evidence or properly conduct the proceedings.

(b) Whenever a judge or justice shall have knowledge of any fact or facts, which, under the provisions of this section, disqualify him or her to sit or act as such in any action or proceeding pending before him or her, it shall be his or her duty to declare the same in open court and cause a memorandum thereof to be entered in the minutes or docket. It shall thereupon be the duty of the clerk, or the judge if there be no clerk, to transmit forthwith a copy of the memorandum to each party, or his attorney, who shall have appeared in the action or proceeding, except such party or parties as shall be present in person or by attorney when the declaration shall be made.

(c) Whenever a judge who shall be disqualified under the provisions of this section, to sit or act as such in any action or proceeding pending before him or her, neglects or fails to declare his or her disqualification in the manner hereinbefore provided, any party to the action or proceeding who has appeared therein may present to the court and file with the clerk a verified written statement objecting to the hearing of the matter or the trial of any issue of fact or law in the action or proceeding before that judge, and setting forth the fact or facts constituting the ground of the disqualification of the judge. Copies of the written statement shall forthwith be served by the presenting party on each party, or his or her attorney, who has appeared in the action or proceeding and on the judge alleged in the statement to be disqualified. The statement of a party objecting to the judge on the ground of his or her disqualification, shall be presented at the earliest practicable opportunity, after his or her appearance and discovery of the facts constituting the ground of the judge's disqualification, and in any event before the commencement of the hearing of any issue of fact in the action or proceeding before that judge.

(d) When a statement of disqualification is filed pursuant to subdivision (c), proceedings shall be as follows:

(1) The judge may, within 10 days after service or filing of the statement, whichever is later, file a verified answer admitting or denying any or all of the allegations in the statement, and setting forth any additional information relevant to the question of disqualification. The question of disqualification shall be determined as provided by subdivision (e).

(2) The judge may file with the clerk a consent that the action or proceeding be tried before another judge as provided by subdivision

(f).

(3) The clerk shall forthwith transmit a copy of any consent or answer to all parties who have appeared in the action or proceeding.

(4) If no consent has been filed, the judge may proceed with the case until the question of disqualification is determined, unless the statement of disqualification was filed by the prosecution on the first day of a criminal trial.

(5) Unless required for the convenience of the court or unless good cause is shown, a continuance of the trial or hearing shall not be granted by reason of the filing of a statement of disqualification. If a continuance is granted, the cause or matter shall be continued from day to day or for other limited periods upon the trial or other calendar and shall be reassigned or transferred for trial or hearing as promptly as possible.

(e) No judge against whom a statement of objection or disqualification has been filed pursuant to this section, shall hear or pass upon any question of fact or law concerning his or her disqualification or the statement of objection or disqualification filed against the judge, but in every such case, all the questions concerning the judge's disqualification shall be heard and determined by some other judge agreed upon by the parties who shall have appeared in the action or proceeding, or, in the event of their failing to agree, by a judge assigned to act by the Chairman of the Judicial Council, and, if the parties fail to agree upon a judge to determine the questions of fact and law pertaining to the disqualification, within five days after the expiration of the time allowed herein for the judge to answer, it shall be the duty of the clerk then to notify the Chairman of the Judicial Council of that fact, and it shall be the duty of the Chairman of the Judicial Council forthwith, upon receipt of notice from the clerk, to assign some other judge, not disqualified, to hear and determine these questions and each of them.

(f) If the judge admits his or her disqualification, or files his or her written consent that the action or proceeding be tried before another judge, or fails to file his or her answer within the 10 days herein allowed, or if it shall be determined after hearing that he or she is disqualified, the action or proceeding shall be heard and determined by another judge or justice not disqualified, who shall be agreed upon by the parties, or, in the event of their failing to agree, assigned by the Chairman of the Judicial Council. However, when there are two or more judges of the same court, one of whom is disqualified, the action or proceeding may be transferred to a judge who is not disqualified.

(g) A judge who is disqualified may, notwithstanding his or her disqualification, request another judge, who has been agreed upon by the parties, to sit and act in his or her place.

(h) In an action or proceeding brought in any court by or against the Reclamation Board of the State of California, or any irrigation, reclamation, levee, swampland or drainage district, or trustee, officer or employee thereof, affecting or relating to any real property, or an

easement or right-of-way, levee, embankment, canal, or any work provided for or approved by the Reclamation Board of the State of California, a judge of the superior court of the county, or a judge of the municipal court or justice court of the judicial district, in which the real property, or any part thereof, or the easement or right-of-way, levee, embankment, canal or work, or any part thereof is situated shall be disqualified to sit or act, and the action shall be heard and tried by some other judge assigned to sit therein by the Chairman of the Judicial Council, unless the parties to the action shall sign and file in the action or proceeding a stipulation in writing, waiving the disqualification provided in this subdivision, in which case the judge may proceed with the trial or hearing with the same legal effect as if no legal disqualification existed. If, however, the parties to the action shall sign and file a stipulation, agreeing upon some other judge to sit or act in place of the judge disqualified under the provisions of this subdivision, the judge agreed upon shall be called by the judge so disqualified to hear and try the action or proceeding, provided, that nothing herein contained shall be construed as preventing the judge of the superior court of the county, or of the municipal or justice court of the judicial district, from issuing a temporary injunction or restraining order, which shall, if granted, remain in force until vacated or modified by the judge designated as herein provided.

(i) Notwithstanding anything contained in subdivision (h), a judge of the superior court or a judge of the municipal court or justice court of the judicial district, in which any real property is located, shall not be disqualified to hear or determine any matter in which the opposing party has failed to appear within the time allowed by law, or as to such of the opposing parties who have failed to appear within the time allowed by law, and as to which matter or parties the same shall constitute purely a default hearing, provided, that nothing in this section contained shall be construed as preventing the judge of the superior court of the county from issuing an order for possession prior to judgment in proceedings in eminent domain.

(j) Nothing in this section contained shall affect a party's right to a change of the place of trial in the cases provided for in Title 4 (commencing with Section 392) of Part 2.

SEC. 10. Section 751.53 of the Code of Civil Procedure is amended to read:

751.53. The complaint shall substantially include:

(a) A statement of the facts which make the provisions of this chapter applicable.

(b) A description of the exterior boundaries of the real property area sought to be affected by the action.

(c) A specification of the estate, title, interest or claim owned, and in the actual possession of the plaintiff or plaintiffs in described parts of the entire real property sought to be affected by the action.

(d) A specification of the estate, title, interest, or claim, so far as they are known to the plaintiffs or either of them, and so far as they

are capable of being discovered by reasonably diligent search by the plaintiff or plaintiffs, in each separate part of the entire real property sought to be affected by the action.

(e) A specification of the street areas sought to be vacated or offered by the plaintiff, or plaintiffs, to be vacated in whole or in part for judicial equitable allocation to landowners for the mitigation of the losses inflicted upon the landowners by the particular disaster or disasters to which this chapter is applicable.

(f) A proposed replatting of the entire real property sought to be affected by the action, embodying the land boundaries as fixed by the disaster, except as these boundaries have been equitably and judicially readjusted, or as liberalized by judicially directed use of the vacated lands.

SEC. 11. Section 25536 of the Corporations Code is amended to read:

25536. (a) The commissioner may take such actions as are authorized by Section 6d of the federal Commodity Exchange Act (7 U.S.C. Sec. 1 et seq.) as amended before or after the effective date of this section.

(b) Nothing in this section shall be construed as a limitation on the powers of the commissioner under this division or any other law administered by the commissioner.

SEC. 12. The heading of Chapter 3.3 (commencing with Section 44750) of Part 25 of the Education Code, as added by Section 44 of Chapter 498 of the Statutes of 1983, is amended and renumbered to read:

CHAPTER 3.4. INNOVATIVE LOCAL EXPERIMENTS TO STRENGTHEN PERSONNEL AND MANAGEMENT

SEC. 13. Section 52182 of the Education Code is amended to read:

52182. (a) The State Department of Education shall establish minimum standards and criteria for the State Bilingual Teacher Training Assistance Program, and shall conduct appropriate training programs, or provide for training services by contract with existing state staff development resource centers, county offices of education, public or private four-year institutions of postsecondary education, bilingual programs consortia, or cooperatives formed among two or more of these groups.

(b) Contracts for training programs conducted under the provisions of this article shall be primarily directed towards school districts with high concentrations of pupils of limited-English-proficiency and teachers on waiver under Section 52178.

(c) In awarding contracts pursuant to subdivision (a), the department shall adopt evaluative criteria demonstrating the contractor's ability to provide appropriate training services. The adopted criteria shall include, but need not be limited to, all of the following:

(1) Demonstrated commitment to bilingual education and bilingual teacher training.

(2) Demonstrated capability to fully prepare candidates for bilingual certificates of competence in accordance with the criteria for assessment in language, methodology, and culture.

(3) The availability of bilingual education staff with demonstrated experience and knowledge of bilingual education training programs.

(4) Demonstrated management and supportive services necessary to efficiently and effectively meet the intent of this article.

(5) District matching funds or in-kind matching resources in support of teachers participating in training programs under this article.

(d) Agencies maintaining programs for the training of bilingual teachers on waiver shall have their programs approved for a period not to exceed three consecutive years, contingent upon all of the following:

(1) The availability of funds.

(2) The submission of acceptable plans and modifications thereof.

(3) An annual evaluation which demonstrates that participants have made significant progress toward passing competency requirements leading to bilingual teachers certification. Upon the successful completion of a three-year cycle, centers shall be eligible to reapply for continued funding.

SEC. 14. Chapter 4 (commencing with Section 59300) of Part 32 of the Education Code, as added by Chapter 100 of the Statutes of 1981, is repealed. The repeal made by this section shall not affect the existence or validity of Chapter 4 (commencing with Section 59300) of Part 32 of the Education Code, as added by Chapter 102 of the Statutes of 1981.

SEC. 15. The heading of Chapter 11.2 (commencing with Section 66920) of Part 40 of Division 5 of Title 3 of the Education Code is repealed.

SEC. 16. Section 18320 of the Financial Code is amended to read:

18320. Notwithstanding Section 18319, an industrial loan company shall in no event:

(a) Have outstanding at any time during its first 12 months of operation as an industrial loan company under this division, its investment certificates (exclusive of those hypothecated with the company issuing them) in an aggregate sum in excess of three times the aggregate amount of its paid-up and unimpaired capital and unimpaired surplus not available for dividends pursuant to Section 18319.

(b) After 12 months of operation as an industrial loan company under this division and during the next 12 months of operation the industrial loan company may file an application with the commissioner seeking authority to increase the aggregate sum of its investment certificates which (exclusive of those investment certificates hypothecated with the company issuing them) in no event shall exceed six times the aggregate amount of its paid-up and

unimpaired capital and unimpaired surplus not available for dividends pursuant to Section 18319.

(c) After 24 months of operation as an industrial loan company under this division and during the next 12 months of operation the company may file an application with the commissioner seeking authority to increase the aggregate sum of its investment certificates which (exclusive of those investment certificates hypothecated with the company issuing them) in no event shall exceed eight times the aggregate amount of its paid-up and unimpaired capital and unimpaired surplus not available for dividends pursuant to Section 18319.

(d) After 36 months of operation as an industrial loan company under this division and during the next 12 months of operation the company may file an application with the commissioner seeking authority to increase the aggregate sum of its investment certificates which (exclusive of those investment certificates hypothecated with the company issuing them) in no event shall exceed 12 times the aggregate amount of its paid-up and unimpaired capital and unimpaired surplus not available for dividends pursuant to Section 18319.

(e) After 48 months of operation as an industrial loan company under this division and during the next 12 months of operation the company may file an application with the commissioner seeking authority to increase the aggregate sum of its investment certificates which, exclusive of those investment certificates hypothecated with the company issuing them, in no event shall exceed 15 times the aggregate amount of its paid-up and unimpaired capital and unimpaired surplus not available for dividends pursuant to Section 18319, only if both of the following requirements are met:

(1) A company shall maintain a liquidity reserve in cash, or cash equivalent, equal to 1½ percent of its total investment certificates outstanding. "Cash equivalent" means investments legal for commercial banks under the laws of this state, with a maturity of not more than 12 months.

(2) In addition to the reserve for losses required by the commissioner pursuant to Section 18343, a company shall establish and maintain such special reserves for losses as the commissioner, by rule or order, may require.

(f) After 60 months of operation as an industrial loan company under this division, the company may file an application with the commissioner seeking authority to increase the aggregate sum of its investment certificates which it may have outstanding, which, exclusive of those investment certificates hypothecated with the company issuing them, in no event shall exceed 20 times the aggregate amount of its paid-up and unimpaired capital and unimpaired surplus not available for dividends pursuant to Section 18319, and which may exceed 15 times the amount of its paid-up and unimpaired capital and unimpaired surplus not available for dividends pursuant to Section 18319 only if the requirements of

subdivision (e) are met and the capital stock is not less than one million two hundred fifty thousand dollars ($1,250,000) and the unimpaired paid-in surplus is not less than seven hundred fifty thousand dollars ($750,000).

(g) Whenever the commissioner deems it reasonable and necessary or advisable for the protection of the public, the commissioner may at any time by order authorize said industrial loan company to have its investment certificates outstanding in either a lesser aggregate sum than the maximum aggregate amounts permitted by subdivision (a), (b), (c), (d), (e), or (f), or none at all.

(h) The request for authority filed with the commissioner pursuant to subdivisions (b), (c), (d), (e), and (f) shall be set forth in an application in such form and containing such information as the commissioner may require.

(i) The commissioner shall by rule or regulation set forth the criteria that must be met before an industrial loan company can be granted authority to increase the aggregate sum of its outstanding investment certificates.

(j) If the commissioner does not within 60 days of the filing of an application grant a request by an industrial loan company operating under this division, for authority to increase the aggregate sum of its outstanding investment certificates to the requested amount, or issues an order pursuant to subdivision (g), the company may file with the commissioner its written request for hearing in accordance with subdivisions (c) and (d) of Section 18315.

SEC. 17. Section 24654 of the Financial Code is amended to read:

24654. No provision imposing liability under this division, including the provisions of subdivision (a) of Section 24651 and subdivision (a) of Section 24652, shall apply to any act done or omitted in good faith in conformity with any written general rule, regulation, or specific ruling of the commissioner, notwithstanding that after the act or omission has occurred, the written general rule, regulation, or specific ruling is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

SEC. 18. Section 4602 of the Fish and Game Code is amended to read:

4602. Any person who desires to capture undomesticated burros which will be held for the purpose of domesticating them and possessing them as pets or for use as beasts of burden may apply to the Department of Food and Agriculture for a permit to capture undomesticated burros. The application for such a permit shall be in writing. In the application the applicant shall state his or her name and address and shall also state that, if the permit is granted, any such burro captured will be possessed and used only in accordance with the terms of the permit.

SEC. 19. Section 6705 of the Fish and Game Code is amended to read:

6705. The payment of the sum due under any lease shall be deemed in lieu of the royalties imposed by Article 2 (commencing

with Section 6680).

SEC. 20. Section 7710.5 of the Fish and Game Code is amended to read:

7710.5. If, during the period that regulations adopted pursuant to Section 7710 are effective, the director determines, based on thorough and adequate scientific evidence and at least one public hearing in the area of the fishery, that any species or subspecies the taking of which was previously restricted, has recovered or additional evidence indicates that the resource is not in danger of irreparable injury, the director may remove the restriction on taking. Action to remove the restriction shall be by adoption of an emergency regulation in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

The director shall bring to the attention of the Legislature, within seven calendar days, any regulations adopted pursuant to this section.

SEC. 21. Section 8834.1 of the Fish and Game Code, as added by Chapter 131 of the Statutes of 1983, is repealed. The repeal made by this section shall not affect the existence or validity of Section 8834.1 of the Fish and Game Code, as added by Chapter 1048 of the Statutes of 1983.

SEC. 22. Section 4352 of the Food and Agricultural Code is amended to read:

4352. The Department of Finance shall provide clerical services to the commission. The Department of Food and Agriculture, the Department of General Services, and the California Horse Racing Board shall cooperate with the commission, and, insofar as possible, shall, on request, allow the commission to utilize their staffs as needed by the commission. However, the sole counsel for the commission shall be the Attorney General, as provided in Section 4357.

SEC. 23. Section 5024 of the Food and Agricultural Code is amended to read:

5024. The director or the commissioner shall, during the maintenance of any quarantine established by the director pursuant to Article 1 (commencing with Section 5301) of Chapter 5, inspect any plant or thing which is, or is liable to be, infested or infected by, or which might act as a carrier of, any pest. The person who conducts the inspection shall not permit any such plant or thing to pass over the quarantine line during the quarantine, except pursuant to a certificate of inspection and release which is signed by that person.

SEC. 24. Section 11513 of the Food and Agricultural Code is amended to read:

11513. Any money which is derived under the provisions of Article 1 (commencing with Section 11701) of Chapter 4 and Article 1 (commencing with Section 11901) of Chapter 5 shall be paid into the State Treasury to the credit of the Department of Food and Agriculture Fund. Any money in the Department of Food and

Agriculture Fund which is derived under the provisions of this division may be expended for the administration and enforcement of this division, notwithstanding any other provision of law which limits the expenditure of any such money to the specific purposes or to the administration or enforcement of each of these portions of this code separately.

SEC. 25. Section 12615 of the Food and Agricultural Code is amended to read:

12615. If the appeal analysis shows that the lot of produce does not carry pesticide residue in excess of any maximum which is provided by this chapter, or in excess of a permissible tolerance, the director shall forthwith release the lot from the seizure and remove the hold order or tag.

SEC. 26. Section 42682 of the Food and Agricultural Code is amended to read:

42682. The director may, upon a petition of a person that the director finds has a substantial interest in the growing or handling of the particular fruit, nut, or vegetable involved, establish, modify, or rescind by regulation, which initially took effect January 1, 1971, standard container, lid, marking, sizing requirement for commodities, and packing arrangement for any fruits, nuts, or vegetables, for which specific quality standards have otherwise been provided by law or regulation.

The director shall not, by regulation, adopt any new container or packing requirement, unless the new container or packing requirement has previously been authorized by regulation of the director as an experimental pack or container.

The director shall, upon the petition of 10 persons that the director finds have a substantial interest in the growing or handling of the particular fruit, nut, or vegetable involved, hold a hearing to establish if the requested standard container, lid, marking, sizing requirement for commodities, or packing arrangement for any fruit, nut, or vegetable for which specific quality standards have otherwise been provided should be adopted by regulation.

All regulations shall be adopted in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 27. Section 55433 of the Food and Agricultural Code is amended to read:

55433. Any money in the Department of Food and Agriculture Fund which was derived pursuant to this chapter, or Chapter 7 (commencing with Section 56101), may be expended for the administration and enforcement of these chapters and Chapter 7.5 (commencing with Section 56701), notwithstanding any other provision of law which limits the expenditure of any such money to the specific purposes or to the administration or enforcement of each of the chapters separately.

SEC. 28. Section 56133 of the Food and Agricultural Code is amended to read:

56133. Any money in the Department of Food and Agriculture Fund which was derived pursuant to this chapter or Chapter 6 (commencing with Section 55401) may be expended for the administration and enforcement of these chapters and Chapter 7.5 (commencing with Section 56701), notwithstanding any other provision of law which limits the expenditure of any such money to the specific purposes or to the administration or enforcement of each of the chapters separately.

SEC. 29. Section 62708.5 of the Food and Agricultural Code is amended to read:

62708.5. (a) A producer-handler, for purposes of this chapter, shall also include, as a separate and distinct category of producer-handlers, any producer and any handler who purchases or handles fluid milk or fluid cream produced by this producer if all of the ownership of the handler and all of the ownership of the producer is owned by the same person or persons and their ownership in the producer or handler is at least 95 percent identical for each person with their ownership in the handler or producer. This ownership shall not exceed 10 individual persons or owners of equitable interest in a partnership, corporation, or other legally constituted business association.

(b) The ownership required by this section may be through a partnership, corporation, or other legally constituted business association so long as the entities are owned by the same person or persons, and there is at least 95 percent identity of ownership for each person with their ownership in the handler or producer. For purposes of this section a "person" or "persons" includes the spouse, or other persons of lineal consanguinity of the first or second degree or collateral consanguinity to the fourth degree as defined in the Probate Code, and their spouses, and includes an adopted child the same as a natural child and kindred of the half blood equally with those of the whole blood of the owner and ownerships by persons so related shall be considered single ownership by one person. For purposes of this section, property pledged or hypothecated in any manner to others shall be considered "owned" so long as equitable ownership with management and control remain with the producer-handler.

(c) Ownership as provided in this section shall have existed at the time of the base period selected by the producer under Section 62707 and at all other times thereafter.

(d) Any such producer-distributor may, until August 6, 1969, do either of the following:

(1) Join and operate wholly within such pool.

(2) Have its entire original production base and pool quota determined during the base period it selected as a producer pursuant to Section 62707, established as a part of the pooling plan, and, nevertheless elect to operate entirely outside of the pool to the extent authorized by this section.

(e) Any producer-handler who qualifies under this section and

elects to operate outside the pool, to the extent of the authority granted, shall have the right to make deductions as follows from its own class 1 sales, excluding sales to a handler, whether in bulk or packaged, before being required to account to the pool:

(1) If it has not sold production base and pool quota subsequent to February 9, 1977, it may deduct its original quota, and quota purchased prior to January 1, 1978, plus a daily deduction of 150 pounds milk fat and 375 pounds solids not fat.

(2) If it has sold production base and pool quota subsequent to February 9, 1977, it may only deduct its original pool quota, and quota purchased prior to January 1, 1978.

(f) The deductions from class 1 sales authorized pursuant to this section may be made irrespective of the fact that the average class 1 usage in the pool for that month may be less than 100 percent of the pool quota in that pool.

(g) Any production subject to this section from the producer-handler selecting this option shall not have the right to participate in the quota pool, irrespective of the fact that the producer-handler did not sell all of the quota as class 1, and will participate in either the base pool or the overbase pool depending upon whether the total production base of the producer is sufficient to cover the milk delivered in excess of the class 1 usage exempted hereunder, otherwise the production in excess of the exempt producer-handler's own class 1 sales, as defined in this section, shall be accounted for as overbase milk.

(h) The fact that a producer-handler qualifies as to one of its milk production operations under this section does not prevent it from operating on an entirely separate nonqualifying basis (and therefore subject to pooling) at other milk production facilities, and with other nonqualifying persons at these other milk production facilities. A producer-handler can neither buy nor sell pool quota and transfer therewith the option granted under this division but this shall not prevent him or her from purchasing or selling pool quota or production base as otherwise provided in this chapter.

(i) If at any time ownership, as defined in this section, ceases, the producer-handler shall no longer be eligible for the options in this section, shall account to the pool as a separate handler, and shall be entitled to reentry into producer participation in the pool on the same basis as a producer-handler may under the last paragraph of Section 62708.

SEC. 30. Section 64717 of the Food and Agricultural Code is amended to read:

64717. In order to carry out the programs and administer the activities conducted pursuant to this article, every out-of-state beef processor, before selling or offering to sell beef into this state, shall register with the department on a form prescribed by the director.

The department may charge a fee for this registration in an amount necessary to cover the costs of registration.

SEC. 31. Section 3543.4 of the Government Code is amended to

read:

3543.4. No person serving in a management position, senior management position, or a confidential position shall be represented by an exclusive representative. Any person serving in such a position may represent himself or herself individually or by an employee organization whose membership is composed entirely of employees designated as holding such positions, in his or her employment relationship with the public school employer, but, in no case, shall such an organization meet and negotiate with the public school employer. No representative shall be permitted by a public school employer to meet and negotiate on any benefit or compensation paid to persons serving in a management position, senior managment position, or a confidential position.

SEC. 32. The heading of Chapter 12 (commencing with Section 4600) of Division 5 of Title 1 of the Government Code, as added by Chapter 769 of the Statutes of 1981, is amended and renumbered to read:

CHAPTER 14. ARBITRATION OF PUBLIC WORKS CONTRACT CLAIMS

SEC. 33. Section 6546.6 of the Government Code, as amended by Chapter 914 of the Statutes of 1983, is amended and renumbered to read:

6546.12. In any county with a population determined by the last official census of 4,000,000 or more, any agency, commission, or board provided for by joint powers agreement entered into by cities pursuant to Article 1 (commencing with Section 6500) for the purpose of the acquisition of land, design, engineering, construction, operation, maintenance, improvement, and administration of an intermodal container transfer facility, may carry out that purpose and may authorize the issuance of revenue bonds, pursuant to this article, to pay for acquiring the land, designing, engineering, constructing, and improving that project, including all facilities, improvements, and all expenses incidental thereto or connected therewith.

The power to issue revenue bonds under this section shall be of no further force and effect after December 31, 1995, unless (1) the entity has initially issued revenue bonds on or prior to December 31, 1995, or (2) the entity is unable to initially issue revenue bonds to accomplish the purpose of this section by reason of litigation relating to the initial issuance, in which case the power to initially issue revenue bonds under this section shall continue to be effective until the final determination of that litigation and for one year thereafter. If the entity has initially issued revenue bonds within either of the time periods permitted by the prior sentence of this paragraph, the power to issue subsequent issues of revenue bonds under this section shall continue so long as this section shall be in effect.

SEC. 34. The heading of Chapter 25 (commencing with Section

7560) of Division 7 of Title 1 of the Government Code is amended and renumbered to read:

CHAPTER 26. FEDERAL FUNDING

SEC. 35. The heading of Chapter 25 (commencing with Section 7800) of Division 7 of Title 1 of the Government Code is amended and renumbered to read:

CHAPTER 27. LAVATORIES IN PUBLIC FACILITIES

SEC. 36. Section 7800 of the Government Code, as added by Chapter 628 of the Statutes of 1983, is amended and renumbered to read:

7575. Lavatories in restrooms of public facilities constructed after January 1, 1985, shall be equipped with all of the following:

(a) Outlet devices which limit the flow of hot water to a maximum of 0.5 gallons per minute (0.032 litres per second) or, be equipped with self-closing faucets that limit delivery to a maximum of 0.25 gallons (0.94 litres) of hot water for recirculating systems and to a maximum of 0.5 gallons (1.9 litres) for nonrecirculating systems.

(b) Devices which limit the outlet temperature to a maximum of 43°C (110 F).

Separate lavatories for physically handicapped persons shall not be equipped with self-closing faucets unless the faucets remain open for at least 10 seconds.

SEC. 37. The heading of Division 9 (commencing with Section 7900) of Title 1 of the Government Code, as added by Chapter 220 of the Statutes of 1980, is repealed. The repeal made by this section shall not affect the existence or validity of the heading of Division 9 (commencing with Section 7900) of Title 1 of the Government Code, as added by Chapter 1205 of the Statutes of 1980.

SEC. 38. Section 11121 of the Government Code is amended to read:

11121. As used in this article "state body" means every state board, or commission, or similar multimember body of the state which is required by law to conduct official meetings and every commission created by executive order, but does not include:

(a) State agencies provided for in Article VI of the California Constitution.

(b) Districts or other local agencies whose meetings are required to be open to the public pursuant to the Ralph M. Brown Act, (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5).

(c) State agencies provided for in Article IV of the California Constitution whose meetings are required to be open to the public pursuant to the Grunsky-Burton Open Meeting Act (Sections 9027 to 9032, inclusive).

(d) State agencies when they are conducting proceedings

pursuant to Section 3596.

(e) State agencies provided for in Section 1702 of the Health and Safety Code, except as provided in Section 1720 of the Health and Safety Code.

(f) State agencies provided for in Section 11770.5 of the Insurance Code.

SEC. 39. Section 12419.8 of the Government Code, as added by Chapter 1243 of the Statutes of 1983, is amended and renumbered to read:

12419.9. (a) For the purposes of Section 12419.5, an amount due a state agency from a person or entity shall include any amount due an educational institution authorized pursuant to subdivision (a) of Section 94310 of the Education Code from a person for repayment of federally subsidized student loans. The Controller may establish procedures to minimize administrative costs of collecting obligations pursuant to this section.

(b) If the Controller, in his or her discretion, offsets an amount due an educational institution from a person pursuant to Section 12419.5, the Controller shall remit the amount offset to the educational institution.

(c) Offset pursuant to Section 12419.5 and this section shall be limited to amounts due a person on a claim for a personal income tax refund. Whenever the amount available is insufficient to offset all amounts due state agencies, the amount available shall be applied in such manner as the Controller, in his or her discretion, shall determine.

(d) The Controller shall deduct and retain from any amount offset pursuant to this section an amount sufficient to reimburse the Controller and the Franchise Tax Board for the administrative costs of processing the request for an offset.

SEC. 40. The heading of Chapter 5 (commencing with Section 13450) of Part 3 of Division 3 of Title 2 of the Government Code is amended and renumbered to read:

CHAPTER 6. PURCHASE AND SALE OF BONDS

SEC. 41. Section 16154 of the Government Code is amended to read:

16154. In addition to the report required by Section 16144, the Secretary of the Resources Agency shall require from local government agencies such other information relative to lands valued pursuant to Section 8 of Article XIII of the California Constitution as is necessary for the proper administration of the provisions of Sections 16142 through 16153 and for periodic review of the policies established therein.

Information collected pursuant to this section shall be transmitted on request to the Legislature and to other state agencies, including, but not limited to, the State Board of Equalization, the Superintendent of Public Instruction, and the Department of Food

and Agriculture.

SEC. 42. Section 16650 of the Government Code is amended to read:

16650. As used in this part, "fiscal agent" means any state fiscal agent selected and acting pursuant to Chapter 2 (commencing with Section 16670).

SEC. 43. Section 18861 of the Government Code is repealed.

SEC. 44. Section 19876 of the Government Code is amended to read:

19876. (a) Payments shall be contingent on the complete medical certification of the illness or injury including diagnosis and any prognosis of recovery. Further, payments shall be contingent on the employee's agreement to cooperate and participate in a reasonable and appropriate vocational rehabilitation plan when furnished by the state subject to appropriate medical approval as determined by the department or, for employees of the California State University, as determined by the Trustees of the California State University.

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 45. Section 19877 of the Government Code is amended to read:

19877. The department shall adopt any rules and regulations necessary for the administration of this article. The Trustees of the California State University shall adopt any rules and regulations necessary for the administration of this article for employees of the California State University.

The appointing power of any officer or employee not a member of the civil service shall adopt any rules and regulations necessary for the administration of this article for such officers or employees.

SEC. 46. Section 20580.01 of the Government Code is amended to read:

20580.01. A regional occupational center established pursuant to Chapter 9 (commencing with Section 52300) of Division 4 of Title 2 of the Education Code by two or more school districts by a joint powers agreement shall be deemed a school district for purposes of this part. The board and the county superintendent of schools, upon the request of the governing body of any such center in the county, shall amend the contract entered into under this chapter to include the employees of the center who are not eligible to membership in the State Teachers' Retirement System. Credit shall not be granted for any service in that employment prior to the effective date of the amendment; provided, however, that on the request of the governing body of the center, the amendment may provide that the

membership of any person becoming a member in that employment on the effective date of the amendment shall be retroactive to the date of that person's entry into that employment. If the amendment provides for the retroactive membership, both the member and the center shall contribute to the fund for the period the amounts they would have contributed had the amendment been in effect on the date of the entry into employment.

SEC. 47. Section 21452 of the Government Code is amended to read:

21452. The board may contract with the State Fund or the Attorney General for the recovery on behalf of this system of any amounts which the board might recover from third persons under this chapter, or Chapter 5 (commencing with Section 3850) of Part 1 of Division 4 of the Labor Code, or which an insurer might recover under Section 11662 of the Insurance Code, or otherwise.

SEC. 48. Section 22308 of the Government Code is amended to read:

22308. This article does not apply to a retirement system composed of the positions of members of a divided system who desire coverage under the federal system as defined in subdivision (*l*) of Section 22009.1 and wherever in this part the conduct of a referendum is made a condition, the condition shall be fully satisfied by compliance with Article 2.5 (commencing with Section 22150) of Chapter 1 as to that retirement system.

SEC. 49. Section 22501 of the Government Code is amended to read:

22501. The board, with the approval of the Department of General Services, may designate other state agencies to perform work, furnish services, materials, or equipment, or otherwise assist in the administration of this part in accordance with this code relating to interagency services and the payment therefor now or hereafter made.

The proportionate share of amounts charged to the board by such agencies pursuant to such designation by the board, and, notwithstanding Section 11044, charges for all legal services rendered by the office of the Attorney General to the board pursuant to this part, shall be assessed against each public agency under the agreement, in accordance with the provisions of Section 22551.

SEC. 50. Section 22550.5 of the Government Code is amended to read:

22550.5. A school district whose employees in positions covered under a retirement system, as defined in subdivision (c) of Section 22009.1, are included in the agreement, shall be subject to all obligations and liabilities imposed on a public agency under this article. The county superintendent of schools shall submit on behalf of the district and for employees in the superintendent's office included in his or her contract with the system, all wage, contribution, and other reports required under this article and shall collect and forward to the state amounts due in the manner provided

in Section 20585 for payment of contributions under the Public Employees' Retirement System.

SEC. 51. Section 22552 of the Government Code is amended to read:

22552. The board may charge or assess each public agency and each public agency shall pay and reimburse the state at such times and in such amounts as the board may determine, the approximate cost to the state of any and all work and services relating to a division under Article 2.5 (commencing with Section 22150) of Chapter 1 or the referendum provided by Article 2 (commencing with Section 22300) of Chapter 2 and requested by the agency. The charges or assessments shall be determined by the board in a manner approved by the Department of Finance.

SEC. 52. Section 22776 of the Government Code is amended to read:

22776. The board shall withdraw its approval of any health benefits plan if it finds that the standards prescribed therefor are not being complied with, that claims accrued or to accrue will not be paid, or for other good cause shown. The board shall give reasonable notice of its intention to withdraw approval of a plan to any carrier, employee organization, or organization of physicians which may be directly interested, to the persons enrolled in the plan, and to such other persons and organizations as the board may deem necessary and proper. The notice shall state the effective date of, and the reason for, the withdrawal. The approval of a health benefits plan shall not be withdrawn except after the notice, and after all interested parties have been afforded reasonable opportunity for public hearing on the question. The hearings shall be conducted, insofar as practicable, pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3.

SEC. 53. Section 25208.5 of the Government Code is amended to read:

25208.5. The board of supervisors of a county has all of the powers to provide for community recreation which are granted to the governing board of a public authority by Chapter 10 (commencing with Section 10900) of Division 1 of Title 1 of the Education Code.

SEC. 54. Section 31510 of the Government Code is amended and renumbered to read:

31610. This article shall not become operative in any county unless and until it is adopted by resolution of the county board of retirement and the county board of supervisors, whereupon, the following sections shall not be operative as to that county: Sections 31453, 31529.5, 31591, 31592, 31592.2, 31592.3, and 31871.

SEC. 55. Section 31510.1 of the Government Code is amended and renumbered to read:

31611. An actuarial valuation shall be made within one year after the date on which any system established under this chapter becomes effective, and thereafter at intervals not to exceed three years. The valuation shall be conducted under the supervision of an

enrolled actuary and shall cover the mortality, service, and compensation experience of the members and beneficiaries, and shall evaluate the assets and liabilities of the retirement fund. Upon the basis of the investigation, valuation, and recommendation of the actuary, the board shall, at least 60 days prior to the beginning of the succeeding fiscal year, recommend to the board of supervisors such changes in the rates of interest, in the rates of contributions of members, in county and district appropriations as are necessary, and appropriate mortality tables. In making recommendations to the board of supervisors, the board shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. No adjustment shall be included in the new rates for time prior to the effective date of the revision. The cost of actuarial valuations and investigations may, in the sound discretion of the board, be charged against the earnings of the retirement fund.

SEC. 56. Section 31510.2 of the Government Code is amended and renumbered to read:

31612. "Actuarial rate" means the interest assumption rate established by the most recent actuarial survey recommended by the board of retirement and adopted by the board of supervisors.

SEC. 57. Section 31510.3 of the Government Code is amended and renumbered to read:

31613. "Net earnings" means the earnings of the retirement fund after accounting for any direct investment losses recognized during the year, less the amounts taken from the earnings as specified in subdivisions (a) and (b):

(a) The amounts specified in Sections 31580.2, 31580.3, if applicable, subdivisions (b) and (d) of Section 31596, if applicable and Section 31611 and 31614.

(b) Any reductions from earnings required by Sections 31588.1 and 31589.1, if applicable. Part or all of any amounts required by Sections 31588.1 and 31589.1 may be deducted, at the discretion of the board of retirement, from the Contingency Reserve Account as described in Section 31616.

SEC. 58. Section 31510.4 of the Government Code is amended and renumbered to read:

31614. Notwithstanding Section 31529, the board may contract for the legal services of an attorney in private practice when the board determines, after consultation with the county counsel, that the county counsel cannot provide the board with legal services due to a conflict of interest or other compelling reason. The compensation of the attorney shall be charged against the earnings of the retirement fund or paid from the county general fund.

This section shall not be operative in any county until such time as the board of supervisors shall, by resolution adopted by majority vote, make the provisions of this section applicable in such county.

SEC. 59. Section 31510.5 of the Government Code is amended

and renumbered to read:

31615. Regular interest at the actuarial rate, or at the highest rate possible if net earnings, as defined in Section 31613 are not sufficient to credit the full actuarial rate, shall be credited semiannually on June 30 and December 31 to all contributions, reserves, and accounts in the retirement fund, except the Contingency Reserve Account, which have been on deposit for six months immediately prior to those dates.

Interest at the actuarial rate, compounded semiannually, shall be used in the calculation of benefits under any mortality table adopted by the board of supervisors. No interest shall be credited to a member's account after the termination of the member's county service, unless the member has elected, in writing, to leave his or her accumulated contributions in the retirement fund and be granted a deferred retirement allowance, or the surviving spouse of a deceased member or the legally appointed guardian of the member's unmarried children under age 18 has elected to leave a death benefit on deposit as provided for in Section 31781.2.

SEC. 60. Section 31510.6 of the Government Code is amended and renumbered to read:

31616. After the semiannual application of Section 31615, earnings of the retirement fund in excess of the total interest credited to contributions and reserves shall remain in the fund as a reserve against deficiencies in interest earnings, losses on investments, or payments made pursuant to Section 31588.1 or 31589.1, if applicable.

These funds shall be placed in an account known hereafter as the Contingency Reserve Account. The size of this account shall be determined semiannually by the board but shall not exceed 3 percent of the total assets of the retirement fund.

If, at the end of any semiannual period, the balance of the Contingency Reserve Account falls below 1 percent of system assets, the board shall, by the end of the subsequent semiannual period, provide funds from earnings of fund assets from the subsequent semiannual period, to bring the level of the Contingency Reserve Account to at least 1 percent of system assets.

No funds in the Contingency Reserve Account shall be available for the payment of benefits.

Net earnings remaining after the application of this section shall be applied as provided in Sections 31617, 31618, and 31619.

SEC. 61. Section 31510.7 of the Government Code is amended and renumbered to read:

31617. In each county having an agreement prior to January 1, 1983, that a fixed part of the required Article 16.5 (commencing with Section 31870) cost-of-living contributions shall come from excess interest earnings on the fund, after the semiannual application of Sections 31615 and 31616, the balance of the net earnings, as defined in Section 31613, shall be used to pay those contributions.

SEC. 62. Section 31510.8 of the Government Code is amended

and renumbered to read:

31618. The board shall establish a Supplemental Retiree Benefit Reserve in the retirement system consisting of any amount previously in the reserve against deficiencies, which on the date of adoption of this article, exceeds 3 percent of the assets of the retirement fund, or any lesser amount, as determined by the board. In no event, however, shall the balance of the Contingency Reserve Account be reduced below 1 percent of system assets for this purpose. The Supplemental Retiree Benefit Reserve shall be used only for the benefit of retired members and beneficiaries.

Commencing on the date of adoption of this article, there shall be a semiannual transfer into this reserve of 50 percent of the balance of net earnings, as defined in Section 31613, after crediting all accounts pursuant to Section 31615, rebuilding the Contingency Reserve Account pursuant to Section 31616 and paying the part of the cost-of-living contributions pursuant to Section 31617, if applicable.

The distribution of the Supplemental Retiree Benefits Reserve shall be determined by the board.

SEC. 63. Section 31510.9 of the Government Code is amended and renumbered to read:

31619. Remaining net earnings, after the sequential application of Sections 31615 and 31616 and Section 31617, if applicable, and Section 31618 shall be credited to all contributions, reserves, and accounts in the retirement fund, except the Contingency Reserve Account, in the manner prescribed in Section 31615, except that no further interest shall be credited to the Supplemental Retiree Benefit Reserve, established pursuant to Section 31618.

SEC. 64. Section 50534 of the Government Code is amended to read:

50534. A county and a retirement board created pursuant to the County Employees Retirement Law of 1937 may contract for the erection of public buildings on public squares pursuant to the County Employees Retirement Law of 1937 and other applicable statutes. All work on the buildings shall be subject to the provisions of Division 2 (commencing with Section 1270) of Part 7 of the Labor Code.

SEC. 65. Section 66499.57 of the Government Code is amended to read:

66499.57. Whenever the city council or board of supervisors adopts a map prepared under this division as the official map of the subdivision, town, city or county, it shall be lawful and sufficient to describe the lots or blocks in any deeds, conveyances, contracts, or obligations affecting any of the lots or blocks as designated on the official map, a reference sufficient for the identification of the map being coupled with the description.

SEC. 66. Section 66700 of the Government Code is amended to read:

66700. Chapters 1 (commencing with Section 66700) and 2 (commencing with Section 66710) shall be known and cited as the

Nejedly-Z'berg-Dills Solid Waste Management and Resource Recovery Act of 1972.

SEC. 67. Section 66786.8 of the Government Code is amended to read:

66786.8. The board shall take, or cause to be taken by contract, such actions as may be necessary to accomplish all of the following:

(a) Identify the geographical location of existing or potential markets for recovered materials.

(b) Identify the economic and technical barriers to the use of recovered materials.

(c) Encourage the development of new uses for recovered materials.

A summary of the findings and any such actions taken and any recommendations resulting therefrom shall be transmitted to the Governor and Legislature by December 1 of each odd-numbered year.

SEC. 68. Section 66796.31 of the Government Code is amended to read:

66796.31. The board may adopt classifications of solid waste facilities which the enforcement agency may exempt for the purposes of requiring permits under subdivisions (a), (b), (c), and (d) of Section 66796.30. The enforcement agency may grant exemptions after a public hearing if all of the following findings are made:

(a) The exemption is not against the public interest.

(b) The quantity of solid wastes is insignificant.

(c) The nature of the solid wastes poses no significant threat to health, safety, or the environment.

SEC. 69. Section 66796.36 of the Government Code is amended to read:

66796.36. Upon the request of any person furnishing any report, notice, application, or other document required by this chapter, the board or the enforcement agency shall not make available for inspection by the public those portions of such report, notice, application, or other document which contain trade secrets as defined in subdivision (3) of Section 499c of the Penal Code. However, the portions of a report, notice, application, or other document shall be made available to government agencies for the use in making reports and to the state, any state agency, or the enforcement agency in judicial review for enforcement proceedings involving the person furnishing the report. Nothing in this section prohibits the disclosure of information pursuant to Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1.

SEC. 70. Section 66796.695 of the Government Code is amended to read:

66796.695. Notwithstanding the limitation on the board's scope of review pursuant to Section 66796.65, when reviewing any decision of a hearing panel, the board may find the decision of the panel inconsistent with subdivision (f) of Section 66796 and take such

action as is otherwise authorized by Section 66796.65.

SEC. 71. Section 66796.70 of the Government Code is amended to read:

66796.70. Within 30 days after service of a copy of a decision and order issued by the board under Article 6 (commencing with Section 66796.64), any aggrieved party may file with the superior court a petition for a writ of mandate for review thereof.

SEC. 72. Section 74955 of the Government Code is amended to read:

74955. There shall be one clerk who shall also be the court administrator, and who shall receive the monthly salary provided for salary range No. D105 in the salary schedule for management and nonclassified personnel. In addition to any other duties imposed by law, the clerk shall, at the direction of the presiding judge, perform any or all of the following duties:

(a) To direct and coordinate the nonjudicial activities of the court.

(b) To prepare and administer the budget of the court.

(c) To coordinate with other appropriate county agencies the acquisition, utilization, maintenance and disposition of county facilities, equipment and supplies necessary for the operation of the court.

(d) To collect, compare, and analyze statistical data on a continuing basis concerning the status of judicial and nonjudicial business of the court and to prepare periodic reports and recommendations based on such data.

(e) To serve as liaison for the court with other persons, committees, boards, groups, and associations as directed by the presiding judge.

SEC. 73. Section 75 of the Harbors and Navigation Code is amended to read:

75. The department has such powers and duties relating to vessels and vessel operators as are imposed upon the department by Chapter 5 (commencing with Section 650) of Division 3.

SEC. 74. Section 1113 of the Harbors and Navigation Code is amended to read:

1113. "Plan" or "pension" or "pension plan" means the San Francisco Bar Pilot pension plan established pursuant to Chapter 3 (commencing with Section 1160).

SEC. 75. Section 1210 of the Harbors and Navigation Code is amended to read:

1210. In preparing its recommendations to the Legislature with relationship to pilotage rates, the committee may require an independent audit by a public accountant selected by the committee, such audit to cover bar pilotage operations for such years as may be determined by the committee, and the committee shall further give consideration to other relevant factors, including, but not limited to, all of the following:

(a) The costs to the pilots, individually or jointly, of providing pilot service as required.

(b) A net return to the pilot sufficient to attract and hold persons capable of performing this service with safety to the public and protection to the property of persons using the service; and the relationship of that income to any changes in cost-of-living indices.

(c) Pilotage rates charged for comparable services rendered in other ports and harbors in the United States.

(d) The methods of determining pilotage rates in other ports and harbors in the United States.

(e) Economic factors affecting the local shipping industry, including prospective increases or decreases in income and labor costs.

(f) Additional factors affecting income to pilots, including, but not limited to, the volume of shipping traffic using pilotage, numbers of pilots available to perform services, income paid for comparable services, and other factors of related nature.

(g) Changes in, or additions to, navigational and safety equipment necessary to insure protection of persons, ships, and waterways.

SEC. 76. Section 6093 of the Harbors and Navigation Code is amended to read:

6093. On or before June 15 of each year, the district board shall estimate and determine the amount of money required by the harbor district and shall adopt a preliminary budget which shall be divided into the following main classes:

(a) Ordinary annual expenses.

(b) Capital outlay and capital outlay fund.

(c) Prior indebtedness.

SEC. 77. Section 6093.1 of the Harbors and Navigation Code is amended to read:

6093.1. On or before June 15 of each year, the board shall publish a notice pursuant to Section 6061 of the Government Code throughout the district stating both of the following:

(a) That the preliminary budget has been adopted and is available at a time and at a place within the district specified in the notice for inspection by interested taxpayers.

(b) That on a specified date not less than one month after the publication of the notice and at a specified time and place, the district board will meet for the purposes of fixing the final budget, and that any taxpayer may appear and be heard regarding the increase, decrease, or omission of any item in the budget or for the inclusion of additional items.

SEC. 78. The heading of Article 7.9 (commencing with Section 419) of Chapter 2 of Part 1 of Division 1 of the Health and Safety Code is repealed.

SEC. 79. Section 429.77 of the Health and Safety Code is amended to read:

429.77. (a) Pilot projects may be approved in the following fields:

(1) Expanded role medical auxiliaries.

(2) Expanded role nursing.

(3) Expanded role dental auxiliaries.

(4) Maternal child care personnel.

(5) Pharmacy personnel.

(6) Mental health personnel.

(7) Other health care personnel including, but not limited to, veterinary personnel, chiropractic personnel, podiatric personnel, geriatric care personnel, therapy personnel, and health care technicians.

(b) Projects shall be given priority which operate in rural and central city areas.

SEC. 80. Section 437.7 of the Health and Safety Code is amended to read:

437.7. The Advisory Health Council shall evaluate and shall designate annually no more than one area health planning agency for any area of the state designated by the council. An area health planning agency shall be incorporated as a nonprofit corporation and controlled by a board of directors consisting of a majority representing the public and local government as consumers of health services with the balance being broadly representative of the providers of health services and the health professions, or alternatively be a health systems agency established pursuant to Public Law 93-641. The functions of area health planning agencies are all of the following:

(a) To review information on utilization of hospitals and related health facilities.

(b) To develop area plans to be used for the determination of community need and desirability of projects specified in Section 437.10, consistent with the regulations adopted by the Office of Statewide Health Planning and Development pursuant to Section 437.8. Each such plan shall become effective upon a determination by the council that the plan is in conformance with regulations adopted pursuant to Section 437.8. The council shall integrate all such area plans into a single Statewide Health Facilities and Services Plan, which shall become effective upon formal adoption by the council.

(c) To conduct public meetings in which providers of health care and consumers will be encouraged to participate.

(d) Area health planning agencies shall comply with all of the following requirements:

(1) The governing body of the agency shall, to the extent feasible, be composed of individuals representative of the major social, economic, linguistic, and racial populations, and geographic areas, within the area served by the agency.

(2) The agency shall hold public meetings and hearings only after reasonable public notice. This notice shall, to the extent feasible, be publicized directly to those who, as determined by the director, are medically underserved and are in other ways denied equal access to good medical care.

(3) The agency shall file with the Advisory Health Council an affirmative action employment plan approved by the office.

Area health planning agencies may divide their areas into local areas for purposes of more effective health facility planning, with the approval of the Advisory Health Council. These local areas shall be of a geographic size and contain adequate population to ensure a broad base for planning decisions. Each local area shall contain a local health planning agency which shall meet the requirements of this section.

An organization which meets the requirements of this section may make application to its area health planning agency for designation as a local health planning agency for a designated area. Within 45 days after a complete application for designation has been received, the area agency shall reach a decision concerning the application.

Each area health planning agency existing on the operative date of amendments to this section enacted during the 1976 portion of the 1975–76 Regular Session of the Legislature shall continue to function as an area planning agency pursuant to this part, until such time as one or more designated health systems agencies are fully operational, as determined by the Advisory Health Council in the area served, or formerly served, by the respective area health planning agency.

If the Advisory Health Council determines that an area health planning agency approved under this section is dissolved or unable to carry out the functions required by this part, the office shall fulfill the responsibilities of an area health planning agency pursuant to this part in the area until such time as another area health planning agency is designated by the Advisory Health Council for the area and becomes fully operational.

Adoption of regulations setting forth administrative procedures for area and local area health planning agencies shall be made by the office pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 81. Section 437.15 of the Health and Safety Code, as added by Chapter 623 of the Statutes of 1981, is repealed. The repeal made by this section shall not affect the existence or validity of Section 437.15 of the Health and Safety Code, as added by Chapter 873 of the Statutes of 1981 and amended by Chapter 1105 of the Statutes of 1983.

SEC. 82. Section 515 of the Health and Safety Code is amended to read:

515. This article does not require registration of individuals, such as industrial hygienists, health physicists, safety engineers, civil engineers, land surveyors, other registered professional engineers, or others with overlapping functions. This article does not require registration of individuals performing duties described in subdivision (e) of Section 517, unless those individuals represent themselves as registered sanitarians. It is not the intent of this article to require city or county health departments or local health districts to employ only registered sanitarians, sanitarian trainees, or those qualified for registration in jobs involving those overlapping functions. It is the sole purpose of this article to safeguard the health, safety, and general welfare of the public from adverse environmental factors, to register

those environmental health professionals practicing as sanitarians who have completed an approved environmental health or science curriculum, and are qualified to work, or are working, in the public or private sector in the field of environmental health within the scope of practice as defined in this article, and to protect the public from individuals performing as sanitarians without proper qualifications.

SEC. 83. Section 519 of the Health and Safety Code is amended to read:

519. The governing body of a city, county, or local health district may employ on a full-time basis one or more sanitarians, each of whom shall be a registered sanitarian as provided for in this article for the purpose of the enforcement of statutes related to public health, and the rules and regulations of the State Department of Health Services, and any local ordinances of a city, county, or local health district that relate to activities under subdivision (e) of Section 517. However, any person who is known as a sanitarian trainee may, without a certificate of registration, be employed to work under the supervision of a registered sanitarian, until he or she is qualified by examination as provided under Section 522, for a period which shall not exceed three years.

SEC. 84. Section 533 of the Health and Safety Code is amended to read:

533. This article does not affect or replace any other requirements or qualifications imposed pursuant to state or federal law on persons involved in activities under subdivision (e) of Section 517.

SEC. 85. Section 1337 of the Health and Safety Code is amended and renumbered to read:

1336.1. (a) After notifying its affected patients, the facility shall, in response to inquiries made by prospective patients or their representatives, include notification of the change in the status of the license or the operation of the facility.

(b) The facility shall also give oral notification to the office of the State Long-Term Care Ombudsman of the change in the status of the license or the operation of the facility at least 30 days prior to any change in the status of the license or the operation of the facility.

SEC. 86. Section 24342.1 of the Health and Safety Code is amended and renumbered to read:

25342.1. The total amount of hazardous waste reported pursuant to Section 25342 shall be the total weight, measured in tons, of all components of the waste in the form in which the waste existed at the time of disposal, submission for disposal, or transferral to a surface impoundment, as specified in subdivision (a) of Section 25342.

SEC. 87. Section 25174.2 of the Health and Safety Code, as added by Chapter 327 of the Statutes of 1982, is repealed. The repeal made by this section shall not affect the existence or validity of Section 25174.2 of the Health and Safety Code, as added by Chapter 496 of the Statutes of 1982.

SEC. 88. Section 50612 of the Health and Safety Code is amended and renumbered to read:

56012. "Affordable housing cost" means, in the case of a person or family of low income, monthly payments for residential property consistent with the requirement of Section 50052.5. In the case of other occupant persons or families, rent for residential property shall not be more than the percentage of the adjusted income of the occupant person or family as permitted under regulations of the United States Department of Housing and Urban Development issued pursuant to Section 8 of the United States Housing Act of 1937, but not in excess of the market rental value for comparable property and housing costs shall not be in excess of 35 percent of gross income.

SEC. 89. Section 997 of the Insurance Code is amended to read:

997. (a) For statement purposes as defined in Article 10 (commencing with Section 900), for insolvency calculations as defined in Article 13 (commencing with Section 980), and for the valuation of the liabilities of insurers for all other purposes, every admitted insurer shall maintain an active life reserve which shall place a sound value on its liabilities under all disability policies and which shall not be less than the reserve according to the standards set forth in regulations issued by the commissioner and, in no event, less in the aggregate than the pro rata gross unearned premium reserve for the policies. The promulgation of the regulations by the commissioner or any changes or amendments thereof shall be in accordance with the procedure provided in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

Subdivisions (b), (c), and (d) shall control the amounts of reserves and liabilities, other than for specific claim losses, upon all individual disability policies until the effective date of regulations issued by the commissioner as provided in the next preceding paragraph. The regulations, in lieu of subdivisions (b), (c), and (d), shall control the amounts of the reserves and liabilities during the time the regulations continue in force. In the event the regulations shall cease to be in effect, the reserves and liabilities again shall be controlled by subdivisions (b), (c), and (d) during the time no such regulations shall be in force.

(b) Every admitted insurer which issues one or more of the following three types of individual disability policies shall maintain a reserve not less than the minimum reserve required under this subdivision:

(1) Policies which are guaranteed renewable for life or to a specified age at guaranteed premium rates.

(2) Policies which are guaranteed renewable for life or to a specified age but under which the insurer has reserved the right to change the scale of premiums.

(3) Policies, other than those described in paragraph (1) of subdivision (c), in which the insurer has reserved the right to cancel or to refuse renewal for one or more reasons, but has agreed

implicitly or explicitly that, prior to a specified time or age, it will not cancel or decline renewal solely because of deterioration of health after issue.

During the period within which the renewability of the policy is guaranteed or the insurer's right to cancel the policy or to refuse renewal thereof is limited, the minimum reserve shall be an amount computed on the basis of two-year preliminary term tabular mean reserves employing the following assumptions:

Mortality and Interest: those assumptions specified in Article 3 (commencing with Section 10478) and Article 3a (commencing with Section 10489.1) of Chapter 5 of Part 2 of Division 2, for the determination of minimum policy reserve liabilities for ordinary life insurance.

Morbidity or other contingency: any tables adopted by the National Association of Insurance Commissioners, or its successor, that is approved by regulation promulgated by the commissioner for use in determining the minimum standard of valuation for use in valuing individual disability insurance policies, or any modification of these tables approved by the commissioner, or any tables based upon individual insurer's own experience and approved by the commissioner.

For each benefit, each company shall establish reserves that place a sound value on the liabilities for the benefit.

These mean reserves shall be diminished or offset by appropriate credit for the valuation net deferred premiums. In no event, however, shall the aggregate reserves for all policies valued on the mean reserve basis, diminished by any credit for deferred premiums, be less than the gross pro rata unearned premiums under the policies.

Negative reserves for any benefit may be offset against positive reserves for other benefits in the same individual or family policy, but if all benefits of the policy collectively develop a negative reserve, credit shall not be taken for the amount.

(c) Every admitted insurer which issues one or more of the following types of individual disability policies shall maintain the minimum unearned premium reserve required under this subdivision:

(1) Selected group disability policies issued under or subject to an agreement that, except for stated reasons, the insurer will not cancel or refuse to renew the coverage of individual insureds prior to a specified age unless all coverage under the same group is terminated.

(2) Any type of individual disability policy not included in one of the three types described in subdivision (b) and not included in paragraph (1) of this subdivision.

The minimum unearned premium reserve shall be the pro rata unearned portion of gross premiums in force and, subject to the limitations contained in Sections 922.2 to 922.8, inclusive, shall be reduced by premiums paid or credited for risks reinsured in solvent insurers.

(d) Provided the reserve on all policies to which the method or basis is applied is not less in the aggregate than the required amount determined according to the applicable standards specified in subdivisions (b) and (c), an insurer may use any reasonable assumptions as to the interest rate, mortality rates or the rates of morbidity or other contingency, and may introduce an assumption as to the voluntary termination of policies. Also, subject to the preceding conditions, the insurer may employ methods other than the methods stated in subdivisions (b) and (c) in determining a sound value of its liabilities under such policies, including, but not limited to, any of the following:

(1) The use of midterminal reserves in addition to either the gross pro rata unearned premium reserves described in subdivision (c) or the net pro rata unearned premium reserve.

(2) Optional use of either the level premium, the one-year preliminary term or the two-year preliminary term method.

(3) Prospective valuation on the basis of actual gross premiums with reasonable allowance for future expense.

(4) The use of approximations such as those involving age groupings, groupings of several years of issue, average amounts of indemnity.

(5) The computation of the reserve for one policy benefit as a percentage of, or by other relation to, the aggregate policy reserves, exclusive of the benefit or benefits so valued.

(6) The use of a composite annual claim cost for all or any combination of the benefits included in the policies valued.

For statement purposes the net reserve liability for active lives may be shown as the mean reserve with offsetting asset items for net unpaid and deferred premiums or it may be shown as the excess of the mean reserve over the amount of net unpaid and deferred premiums, or, regardless of the underlying method of calculation, it may be divided between the gross pro rata unearned premium reserve and a balancing item for the "additional reserve."

SEC. 90. Section 1175 of the Insurance Code is amended to read:

1175. Such insurers may invest in bonds of any permanent road division in this state, or any district organized under the laws of this state, when such bonds are legal investments for savings banks of this state, or have been certified as legal investments for savings banks pursuant to Division 10 (commencing with Section 20000) of the Water Code, or when the statutes or laws providing for the issuance of such bonds provide that such bonds shall be entitled to the same force or value or use as bonds issued by any municipality, or such law specifically states that such bonds shall be legal investments for either savings banks, insurance companies, all trust funds, state school funds or any funds which may be invested in bonds of cities, counties, cities and counties, school districts, or municipalities in the state, or when such bonds have been investigated and approved by a commission or board now or hereafter authorized by law to conduct such investigation and give such approval when such law

specifies that upon that approval the bonds are legal investments for insurers, or which the commissioner approves in writing as legal for investment of the funds of insurers. The commissioner in determining whether to approve any bonds as legal investments which do not otherwise qualify as such pursuant to any part of this code, shall, at the expense of any insurer requesting approval, make an adequate independent investigation of such bonds and the security therefor. A copy of the data secured in such investigation and the resulting opinion of the commissioner shall be furnished to the insurer.

SEC. 91. The heading of Chapter 8 (commencing with Section 10650) of Part 2 of Division 2 of the Insurance Code is repealed.

SEC. 92. Section 11512.3 of the Insurance Code, as added by Chapter 673 of the Statutes of 1983, is amended and renumbered to read:

11512.35. A hospital service plan contract where the plan is licensed to do business in this state and which provides coverage solely of California residents but which may be written or issued for delivery outside of California where benefits are provided within the scope of practice of a licensed clinical social worker, a registered nurse licensed pursuant to Chapter 6 (commencing with Section 2700) of Division 2 of the Business and Professions Code who possesses a master's degree in psychiatric-mental health nursing and two years of supervised experience in psychiatric-mental health nursing, or a marriage, family, and child counselor who is the holder of a license under Section 17805 of the Business and Professions Code, shall not be deemed to prohibit persons covered under the contract from selecting those licensees in California to perform the services in California which are within the terms of the contract even though the licensees are not licensed in the state where the contract is written or issued for delivery.

SEC. 93. Section 11629 of the Insurance Code is amended to read:

11629. Each separate act of an insurer or its agent in violation of Section 11628 or 11628.5 shall render the insurer liable in damages in the amount of one hundred dollars ($100), plus a reasonable allowance for attorneys' fees incurred in connection with the prosecution of the action, which may be recovered in an action at law brought for that purpose by the person aggrieved by any such act.

SEC. 94. Section 11629.5 of the Insurance Code is amended to read:

11629.5. Any insurer which has refused to issue to an applicant a policy of insurance in violation of Section 11628 or 11628.5 and which has been required to pay damages for the violation pursuant to Section 11629 shall pay as additional damages the amount by which the rates which the applicant found it necessary to pay to obtain other insurance exceed the rates of the insurer.

SEC. 95. Section 3201 of the Labor Code is amended to read:

3201. Divisions 4 (commencing with Section 3201) and 5 (commencing with Section 6300) are an expression of the police

power and are intended to make effective and apply to a complete system of workers' compensation the provisions of Section 4 of Article XIV of the California Constitution.

SEC. 96. Section 3202 of the Labor Code is amended to read:

3202. Divisions 4 (commencing with Section 3201) and 5 (commencing with Section 6300) shall be liberally construed by the courts with the purpose of extending their benefits for the protection of persons injured in the course of their employment.

SEC. 97. Section 3203 of the Labor Code is amended to read:

3203. Divisions 4 (commencing with Section 3201) and 5 (commencing with Section 6300) do not apply to employers or employments which, according to law, are so engaged in interstate commerce as not to be subject to the legislative power of the state, nor to employees injured while they are so engaged, except in so far as those divisions are permitted to apply under the Constitution or laws of the United States.

SEC. 98. Section 243.5 of the Penal Code is amended to read:

243.5. (a) When a person commits an assault or battery on school property during hours when school activities are being conducted, a peace officer may, without a warrant, notwithstanding subdivision (2) or (3) of Section 836, arrest the person who commits the assault or battery:

(1) Whenever the person has committed the assault or battery, although not in the peace officer's presence.

(2) Whenever the peace officer has reasonable cause to believe that the person to be arrested has committed the assault or battery, whether or not it has in fact been committed.

(b) "School," as used in this section, means any school established pursuant to Article 2 (commencing with Section 72010) of Chapter 1 of Part 45 of Division 6 of Title 3 of the Education Code, and any elementary school, junior high school, four-year high school, senior high school, adult school or any branch thereof, opportunity school, continuation high school, regional occupational center, evening high school, or technical school.

SEC. 99. The heading of Chapter 2 (commencing with Section 459) of Title 13 of Part 1 of the Penal Code is amended to read:

CHAPTER 2. BURGLARY

SEC. 100. Section 3320.1 of the Public Resources Code is amended to read:

3320.1. (a) An agreement for the management, development and operation of two or more tracts in a pool or pools, or portions thereof, in a field as a unit without regard to separate ownerships for the production of oil and gas, including repressuring operations therein, and for the allocation of benefits and costs on a basis set forth in the agreement, shall be valid and binding upon those who consent thereto and may be filed with the supervisor for approval.

Any agreement for the cooperative management, development

and operation of two or more tracts in a pool or pools, or portions thereof, in a field for the production of oil or gas, including repressuring operations therein, shall be valid and binding upon those who consent thereto and may be filed with the supervisor for approval.

If in the judgment of the supervisor a unit agreement or cooperative agreement filed for approval is not detrimental to the intent and purposes of this article to arrest or ameliorate subsidence, or otherwise unlawful, the supervisor may approve the agreement. No such agreement approved by the supervisor hereunder or heretofore approved pursuant to applicable law prior to the enactment of this article shall be held to violate any of the statutes of this state prohibiting monopolies or acts, arrangements, agreements, contracts, combinations or conspiracies in restraint of trade or commerce.

(b) In the event that at the time of the approval by the supervisor of a unit or cooperative agreement under subdivision (a), the supervisor makes written findings of all of the following:

(1) A primary purpose of the unit or cooperative agreement is the initiation and conduct of repressuring operations in the area covered thereby for the purpose of arresting or ameliorating subsidence.

(2) The initiation and conduct of repressuring operations in the area covered by the unit or cooperative agreement are feasible and compatible with the purposes of this article.

(3) The persons who are entitled to 75 percent of the proceeds of production of oil and gas within the area covered by the unit or cooperative agreement (measured by the production of oil and gas therein in the last calendar year preceding the date of such approval) have become parties to such agreement by signing or ratifying it.

(4) It is necessary, in order to initiate and conduct repressuring operations, that the properties of nonconsenting persons who own working interests or royalty interests in lands within the area covered by the unit or cooperative agreement become subject to the agreement.

(5) The agreement is fair and reasonable, and contains appropriate provisions to protect and safeguard the rights of all persons having an interest in oil and gas production in the area covered thereby.

Then the supervisor shall make and enter an order which shall provide that unless the nonconsenting persons, within 30 days after service upon those persons of the order in the manner specified by the supervisor, become parties to the agreement by signing or ratifying the agreement, the right of eminent domain may be exercised as provided in subdivision (c) for the purpose of acquiring the properties of the nonconsenting persons which are found by the supervisor to be necessary for the initiation and conduct of the repressuring operations.

If the supervisor makes findings in accordance with the foregoing, the findings shall be prima facie evidence of all of the following:

(A) Of the public necessity of the development and operation of the properties in accordance with the unit or cooperative agreement and of the repressuring operations to be initiated and conducted pursuant to the agreement.

(B) That the acquisition of the properties of the nonconsenting persons which are designated by the supervisor is necessary therefor.

(C) That the repressuring and other operations to be initiated and conducted pursuant to the agreement, and the improvements to be made in connection therewith are planned or located in the manner which will be most compatible with the greatest public good and the least private injury.

The acquisition and use of land, including oil and gas rights therein, and personal property used in the production of oil and gas within a subsidence area for the purposes and by the persons mentioned in this section under the circumstances herein specified, are public uses on behalf of which the right of eminent domain may be exercised.

(c) Subject to the provisions of subdivision (b), the right of eminent domain for the purposes therein mentioned may be exercised by any city, county, or city and county, which has agreed to commit the properties to be acquired to such unit or cooperative agreement, or which has agreed to convey all or a portion of said properties upon acquisition, for a price not less than the cost of acquiring the same, to working interest owners who are parties to such unit or cooperative agreement and who have agreed to commit such properties to said agreement.

Except as otherwise provided in subdivisions (b) and (c), any condemnation action brought hereunder shall be governed by Title 7 (commencing with Section 1230.010) of Part 3 of the Code of Civil Procedure.

If a condemnation action or actions to acquire the properties of the nonconsenting persons are promptly commenced and diligently prosecuted to final judgment by which the properties are acquired, no compulsory unit order affecting the area covered by the agreement shall be made by the supervisor under Section 3321 with respect to that area.

SEC. 101. Section 33200 of the Public Resources Code is amended to read:

33200. (a) The Santa Monica Mountains Conservancy is hereby established. The conservancy shall be composed of seven voting members and two ex officio members. The voting members shall be as follows:

(1) The Director of the National Park Service or an employee designated by the director.

(2) A member representing the City of Los Angeles, appointed by the Mayor with the approval of the city council.

(3) Three public members who shall be residents of either the County of Los Angeles or the County of Ventura, one of whom shall be appointed by the Governor, one of whom shall be appointed by

the Senate Rules Committee, and one of whom shall be appointed by the Speaker of the Assembly.

(4) A member appointed by the Board of Supervisors of the County of Los Angeles, or the member's designee.

(5) An elected official who is either a member of the City Council of the City of Thousand Oaks or a member of the Board of Supervisors of the County of Ventura and who shall be appointed by the Board of Supervisors of the County of Ventura, or the elected official's designee.

The seat of a public member shall be deemed vacant if the member changes his or her residence to a county other than Los Angeles or Ventura County.

The California Coastal Commission and the State Coastal Conservancy shall each appoint an ex officio member who shall be either a member or employee of their respective agency. The ex officio member appointed by the California Coastal Commission and the State Coastal Conservancy shall be nonvoting members, except that the ex officio member appointed by the State Coastal Conservancy may vote on any matter relating to a project undertaken within the coastal zone portion of the zone.

On the 10th working day after certification pursuant to Chapter 6 (commencing with Section 30500) of Division 20 of any local coastal program, or any portion thereof, for any portion of the zone, the ex officio member appointed by the California Coastal Commission may vote on any matter relating to a project undertaken within the coastal zone portion of the zone and the ex officio member appointed by the State Coastal Conservancy may not vote on the matter.

(b) The chairperson and vice chairperson of the conservancy shall be selected by the voting members of the conservancy for a one-year term. A majority of the total authorized and appointed voting membership of the conservancy constitutes a quorum for the transaction of any business under this division.

(c) The following members of the conservancy shall be compensated for attendance at regular meetings of the conservancy at the rate of one hundred dollars ($100) per day:

(1) The public members.

(2) The member appointed by the Board of Supervisors of the County of Los Angeles or that member's designee, unless the member or designee is also a member of the board of supervisors, in which case no compensation shall be paid.

(3) The member appointed by the Board of Supervisors of the County of Ventura or that member's designee, unless the member or designee is also a member of a board of supervisors, in which case no compensation shall be paid.

(4) The members appointed by the State Coastal Conservancy and the California Coastal Commission if these members are also public members of their respective agencies.

(5) The appointed member representing the City of Los Angeles.

All members of the conservancy shall be reimbursed for actual and

necessary expenses, including travel expenses, incurred in the performance of their duties.

SEC. 102. Section 33201 of the Public Resources Code is amended to read:

33201. (a) The State Coastal Conservancy pursuant to Division 21 (commencing with Section 31000) has the prime responsibility for carrying out projects identified in certified local coastal programs for jurisdictions within the coastal zone portion of the zone, and the Santa Monica Mountains Conservancy has the prime responsibility pursuant to this division to undertake projects within the coastal zone portion of the zone that implement the park, recreation, conservation, and open-space provisions of the plan.

(b) This section does not affect any project undertaken by the Santa Monica Mountains Convervancy or the State Coastal Conservancy prior to January 1, 1983, nor shall this section be construed to affect the existing review and approval powers of the California Coastal Commission.

(c) The State Coastal Conservancy does not have jurisdiction in the zone outside the coastal zone portion of the zone.

SEC. 103. Section 529 of the Public Utilities Code is amended to read:

529. Nothing in this part shall prevent any of the following:

(a) The issue of reduced rate transportation by a common carrier to children attending an institution of learning.

(b) The issue of passes or franks by telegraph or telephone corporations to their officers, agents, employees, attorneys, physicians and surgeons, and members of their families, or the exchange of passes or franks between the telegraph and telephone corporations or between the corporations and the common carriers, for their officers, agents, employees, attorneys, physicians and surgeons, and members of their families.

(c) The carrying out of contracts for free or reduced rate passenger transportation previously made, founded upon adequate consideration and lawful when made.

(d) A common carrier from transporting, storing, or handling, free or at reduced rates, the household goods and personal effects of its employees, of persons entering or leaving its service, and of persons killed or dying while in its service.

(e) A common carrier from providing reduced rate transportation to elderly and handicapped persons when required pursuant to an application for federal funds under the Urban Mass Transportation Act of 1964 (49 U.S.C. Sec. 1601 et seq.).

SEC. 104. Section 16487 of the Public Utilities Code, as added by Chapter 549 of the Statutes of 1982, is amended and renumbered to read:

16488. Every district shall comply with Section 8029.5.

SEC. 105. Section 29654 of the Public Utilities Code is amended to read:

29654. Any county which is withdrawn from the district pursuant

to this chapter may be subsequently annexed thereto on compliance with Chapter 9 (commencing with Section 29500).

SEC. 106. Section 30273 of the Public Utilities Code is amended to read:

30273. (a) The acts of the board shall be expressed by motion, resolution, or ordinance. No ordinance shall be passed by the board on the day of its introduction, nor within five days thereafter, nor at any time other than a regular or adjourned regular meeting. No ordinance shall take effect until the expiration of 30 days following its adoption, unless otherwise provided in this part.

(b) The following ordinances shall take effect upon adoption:

(1) An ordinance relating to an election, or to the issuance or sale of bonds, or to the levying or collection of taxes, or the fixing of fares.

(2) An ordinance necessary for the immediate preservation or protection of the property, interests, or welfare of the district, which shall contain a specific statement showing its urgency, passed by two-thirds of the votes of all of the members of the board.

(c) All ordinances except those which take effect upon their adoption shall be subject to referendum as provided in Section 30741.

SEC. 107. Section 30450 of the Public Utilities Code is amended to read:

30450. Articles 1 (commencing with Section 30400) and 2 (commencing with Section 30430) do not apply to any employees of the district in a bargaining unit which is represented by a labor organization.

SEC. 108. Section 40224 of the Public Utilities Code is amended to read:

40224. Section 851 does not apply to any contract for sale or sale of an existing system, or any portion thereof, pursuant to this chapter, and the Public Utilities Commission has no jurisdiction with respect thereto.

SEC. 109. Section 70125 of the Public Utilities Code is amended to read:

70125. Notwithstanding any provision of the Government Code, employees of this district may authorize and, upon that authorization, the district may make deductions from their wages and salaries as follows:

(a) Pursuant to a collective bargaining agreement with a duly designated or certified labor organization for the payment of union dues, fees, or assessments.

(b) For the payment of contributions pursuant to any health and welfare plan or pension or retirement plan.

(c) For any purpose for which deductions may be authorized by employees of any private employer.

SEC. 110. Chapter 11 (commencing with Section 97100) of Part 9 of Division 10 of the Public Utilities Code is repealed.

SEC. 111. Section 100450 of the Public Utilities Code is amended to read:

100450. The district may issue bonds, payable from revenue of

any facility or enterprise to be acquired or constructed by the district, in the manner provided by the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code), all of the provisions of which are applicable to the district, except that these bonds may be paid, in whole or in part, from revenues made available under Article 9 (commencing with Section 100250) of Chapter 5 and, in such a case, the bonds may be issued without an election if the resolution authorizing the bonds provides that the retail transactions and use tax shall continue to be imposed under that Article 9 until the bonds are fully paid or provision has been made for their payment in full.

SEC. 112. Section 2228 of the Revenue and Taxation Code is amended to read:

2228. (a) The annual percentage change in population for special districts shall be the percentage changes established pursuant to Section 2227 and this section:

(1) If a special district is located entirely within a city, the annual percentage change in population for the district shall be that established for the city pursuant to Section 2227.

(2) If a special district is located entirely within the unincorporated area of a county, the annual percentage change in population for the district shall be that established for the county or the unincorporated area of the county.

(3) If a special district is located within a single county or within more than one city or any combination of cities and unincorporated areas within a single county, the annual percentage change in population for the district shall be that established for the county or the weighted average of the percentage change of each city and the unincorporated area.

(4) If a special district is located within more than one county, the annual percentage change in population for the district shall be the weighted average of the percentage change of each county or city or unincorporated area within the district or any combination, provided that the areas selected are mutually exclusive.

(b) The Department of Finance may request data from any local jurisdiction to be used to prepare the percentage change in population required by this section. The Department of Finance shall determine the weights to be used in establishing weighted averages.

(c) If the governing body of a special district determines that the percentage change in population in subdivision (a) will not be accurate for the district, it may, before June 1, request the Department of Finance to prepare a special population change estimate for the district. The department shall comply with the request before September 1, and the estimate prepared by the department shall be used to determine population change for purposes of this chapter. The district shall reimburse the department for the actual cost of preparing the estimate.

SEC. 113. Section 2238 of the Revenue and Taxation Code is

amended to read:

2238. If a local agency or school district submits an otherwise valid reimbursement claim to the Controller after the deadline specified in Section 2218.5, the Controller shall pay the reimbursement claim in an amount equal to 80 percent of the amount which would have been allowed had the reimbursement claim been timely filed. In no case shall a reimbursement claim be paid which is submitted more than one year after the deadline specified in Section 2218.5. Estimated claims which were filed by the deadline specified in that section shall be paid in full before payments are made on estimated claims filed after the deadline. In the event the amount appropriated to the Controller for reimbursement purposes is not sufficient to pay the estimated claims approved by the Controller, the Controller shall prorate those claims in proportion to the dollar amount of approved claims filed after the deadline and shall report to the State Board of Control or the Legislature in the same manner as described in Section 2236 in order to assure appropriation of funds sufficient to pay those claims.

SEC. 114. Section 8703 of the Revenue and Taxation Code is amended to read:

8703. On receipt of an application and after the deposit of such security as the board may require pursuant to Section 8951, the board shall issue to the applicant a use fuel tax permit authorizing the applicant to become a user of fuel taxable under this part. The permit is valid until canceled or revoked.

SEC. 115. Section 8851 of the Revenue and Taxation Code is amended to read:

8851. Any user against whom a determination is made under Article 2 (commencing with Section 8776) or 3 (commencing with Section 8801) may petition for a redetermination within 30 days after service upon the user of notice thereof. If a petition for redetermination is not filed within the 30-day period, the determination becomes final at the expiration of the period.

SEC. 116. Section 23031 of the Revenue and Taxation Code is amended to read:

23031. "Franchise Tax Board" means the Franchise Tax Board described in Part 10 (commencing with Section 15700) of Division 3 of Title 2 of the Government Code.

"Board" means the State Board of Equalization.

SEC. 117. Section 23225 of the Revenue and Taxation Code is amended to read:

23225. The adjusted tax, as provided in Sections 23222 to 23224.5, inclusive, for any taxable year in excess of the prepayment for that year, shall be due and payable as provided in Chapter 19 (commencing with Section 25401).

SEC. 118. Section 23253a of the Revenue and Taxation Code is amended and renumbered to read:

23254. If, at the time of any of the transfers referred to in Section 23253, the transferor has not become subject to a tax measured by its

income for the taxable year preceding the taxable year in which the transfer occurs, the transferee shall within two months and fifteen days after the close of the month in which the transfer occurs file a return disclosing the net income of the transferor for such preceding year and pay a tax measured by such income.

SEC. 119. Section 23253b of the Revenue and Taxation Code is amended and renumbered to read:

23255. Whenever under this article the transferee is required to pay a tax measured by the income of the transferor, the rate of tax applicable to the transferee shall apply.

SEC. 120. Section 23253c of the Revenue and Taxation Code is amended and renumbered to read:

23256. The transferee shall, pursuant to the provisions of Article 3 (commencing with Section 23181), be entitled to the same offset against any tax imposed on it measured by the income of the transferor for taxes on the business or property transferred as would have been allowed the transferor had the reorganization not occurred.

SEC. 121. Section 23254 of the Revenue and Taxation Code is amended and renumbered to read:

23257. Where income of the transferor is required to be included in the computation of a tax on the transferee, the income shall not thereafter be included in the measure of a tax on the transferor.

SEC. 122. Section 23281 of the Revenue and Taxation Code is amended to read:

23281. (a) When a taxpayer ceases to do business within the state during any taxable year and does not dissolve or withdraw from the state during that year, and does not resume doing business during the succeeding taxable year, its tax for the taxable year in which it resumes doing business shall be the greater of the following:

(1) The tax computed upon the basis of the net income of the income year in which it ceased doing business, except where the income has already been included in the measure of a tax imposed by this chapter.

(2) The minimum tax prescribed in Section 23153.

(b) The tax shall be due and payable at the time the corporation resumes doing business, or on or before the 15th day of the third month following the close of its income year, whichever is later. All the provisions of this part relating to delinquent taxes shall be applicable to the tax if it is not paid on or before its due date.

(c) This section does not apply to a corporation which became subject to Chapter 3 (commencing with Section 23501) after it discontinued doing business in this state (see Section 23224.5).

SEC. 123. Section 23333 of the Revenue and Taxation Code is amended to read:

23333. (a) A taxpayer subject to Section 23186 shall, if it dissolves or withdraws prior to the date the rate is determined under Section 23186, pay a tax under Section 23332 at the maximum rate prescribed by Section 23186. If the rate is subsequently determined to be less

than the maximum prescribed by Section 23186, a refund shall, within 30 days of that determination, be made as prescribed by Article 1 (commencing with Section 26071) of Chapter 22. That part of the tax thus determined which is in excess of 7.6 percent shall be collected as a demand for second installment under Article 3 (commencing with Section 25551) of Chapter 19.

(b) For calendar or fiscal years ending after June 30, 1973, the rate of tax shall be 9 percent instead of 7.6 percent as provided by subdivision (a).

SEC. 124. Section 23731 of the Revenue and Taxation Code is amended to read:

23731. Every organization or trust exempt under this chapter, except as provided in this article, is subject to the tax imposed upon its unrelated business taxable income as defined in Section 23732.

(a) Corporations, associations and business trusts are subject to the tax rates imposed under Section 23151 or Section 23501.

(b) Trusts will be subject to individual tax rates imposed by Section 17041.

This section applies to income years beginning after December 31, 1970.

SEC. 125. Section 23771 of the Revenue and Taxation Code is amended to read:

23771. Every organization, otherwise exempt under Article 1 (commencing with Section 23701), but having income of the character described in Article 2 (commencing with Section 23731), shall file a return, verified by an executive officer under penalty of perjury in the form prescribed by the Franchise Tax Board, on or before the 15th day of the fifth month following the close of the income year, reporting its income from those activities and shall pay a tax as required by Section 23731 on its unrelated business taxable income as defined in Section 23732.

SEC. 126. Section 24272 of the Revenue and Taxation Code is amended to read:

24272. For the purposes of the tax imposed under Chapter 2 (commencing with Section 23101), "gross income" includes all interest received from federal, state, municipal or other bonds.

SEC. 127. Section 24341 of the Revenue and Taxation Code is amended to read:

24341. "Net income" means the gross income, computed under Chapter 6 (commencing with Section 24271), less the deductions allowed under this article and Article 2 (commencing with Section 24401).

SEC. 128. Section 24360 of the Revenue and Taxation Code is amended to read:

24360. In the case of any bond, as defined in Section 24363, the following rules shall apply to the amortizable bond premium (determined under Section 24361 on the bond):

(a) In the case of a bond, the amount of the amortizable bond premium for the income year shall be allowed as a deduction.

(b) In the case of any bond the interest on which is excludable from gross income under Chapter 3 (commencing with Section 23501), no deduction shall be allowed for the amortizable bond premium for the taxable year.

SEC. 129. Section 24364 of the Revenue and Taxation Code is amended to read:

24364. Notwithstanding Article 3 (commencing with Section 24421), all expenditures (other than expenditures for the purchase of land or depreciable property or for the acquisition of circulation through the purchase of any part of the business of another publisher of a newspaper, magazine, or other periodical) to establish, maintain, or increase the circulation of a newspaper, magazine, or other periodical shall be allowed as a deduction. However, the deduction shall not be allowed with respect to the portion of such expenditures as, under regulations prescribed by the Franchise Tax Board, is chargeable to capital account if the taxpayer elects, in accordance with those regulations, to treat that portion as so chargeable. The election, if made, shall be for the total amount of that portion of the expenditures which is so chargeable to capital account, and shall be binding for all subsequent income years unless, upon application by the taxpayer, the Franchise Tax Board permits a revocation of the election subject to such conditions as it deems necessary.

SEC. 130. Section 24401 of the Revenue and Taxation Code is amended to read:

24401. In addition to the deductions provided in Article 1 (commencing with Section 24341), there shall be allowed as deductions in computing taxable income the items specified in this article.

SEC. 131. Section 24402 of the Revenue and Taxation Code is amended to read:

24402. Dividends received during the income year declared from income which has been included in the measure of the taxes imposed under Chapter 2 (commencing with Section 23101) or 3 (commencing with Section 23501) upon the taxpayer declaring the dividends.

SEC. 132. Section 25207 of the Revenue and Taxation Code is amended to read:

25207. In any case in which a claim in abatement is filed pursuant to Section 25206 and the Franchise Tax Board makes the abatement, the tax disclosed by the original return shall, for the purpose of Article 1 (commencing with Section 25661) of Chapter 20, be deemed to be reduced by the amount of tax so abated.

SEC. 133. Section 25553.5 of the Revenue and Taxation Code is amended to read:

25553.5. The amount of tax payable by taxpayers subject to the tax imposed by Article 3 (commencing with Section 23181) of Chapter 2 as set forth in a notice mailed to such taxpayers pursuant to Section 23186a shall be due and payable on or before the 15th day following the mailing of the notice by the Franchise Tax Board.

SEC. 134. Section 25565 of the Revenue and Taxation Code is amended to read:

25565. Chapters 20 (commencing with Section 25661) and 23 (commencing with Section 26131) apply to the assessment and collection of estimated tax.

SEC. 135. Section 25671 of the Revenue and Taxation Code is amended to read:

25671. Any tax imposed pursuant to Articles 4 (commencing with Section 23221), 5 (commencing with Section 23251), and 6 (commencing with Section 23281) of Chapter 2 based on the net income as disclosed by the return, shall not be considered a deficiency assessment within the meaning of this article.

SEC. 136. Section 25731a of the Revenue and Taxation Code is amended and renumbered to read:

25731.5. When any assessment is proposed under Section 25731, the taxpayer shall have the right to protest the assessment, to have an oral hearing thereon if requested, and to appeal to the board from the Franchise Tax Board's action on the protest. The taxpayer shall proceed under this section in the manner and within the time prescribed by Article 1 (commencing with Section 25661).

SEC. 137. Section 141 of the Streets and Highways Code is amended to read:

141. In addition to the other powers relating to state highways granted to it by law, the department may do all of the following:

(a) Make investigations to place, at the service of the state, the most approved methods of highway construction, improvement, and maintenance.

(b) Compile statistics relative to the highways of the various counties and cities and of the districts formed to construct, improve, or maintain the highways.

(c) Determine the methods of highway construction, improvement, and maintenance best adapted to the various sections of the state, and the best methods of construction, improvement, and maintenance of highways, making experiments with respect thereto from time to time.

(d) Call upon any state, county, city, or district official to furnish any information the official has relating to, or is in any way necessary to the proper performance of, the highway work of the department. The official shall furnish the information without charge.

(e) Join associations of highway and transportation officials of other states and others which have been established for not less than 10 years, having as their purpose the interchange of information relating to highway construction, improvement, maintenance, and administration and other transportation matters.

(f) Direct any of its officers or employees to travel to places outside this state at state expense for the purposes, when approved, as provided in Section 11032 of the Government Code.

SEC. 138. Section 5522 of the Streets and Highways Code is amended to read:

5522. Sections 5366, 5367, 5368, 5369, and 5372 apply to the supplemental assessment except that the objections, appeals, or protests referred to in Section 5366 are limited to the matter of the acquisition and not to the work or improvement.

SEC. 139. Section 27122 of the Streets and Highways Code is amended and renumbered to read:

27510. The composition of the board of directors of the district shall be as follows:

(a) One director, representing Del Norte County, one director, representing Mendocino County, and one director, representing Napa County, appointed by the board of supervisors of the respective represented county.

(b) Four directors, representing Marin County, appointed by the board of supervisors thereof. One of the directors shall be an elected member of the board of supervisors, another of the directors shall be an elected member of a city council of a city within Marin County, and shall be designated by the Marin Council of Mayors and Councilmen and another of the directors shall be a member of the general public.

(c) Three directors, representing Sonoma County, appointed by the board of supervisors thereof. One of the directors may be an elected member of the board of supervisors, and another of the directors shall be an elected member of a city council of a city within Sonoma County, and shall be designated by the Mayors' and Councilmen's Association of Sonoma County.

(d) Nine directors, representing the City and County of San Francisco, eight of whom shall be appointed by the board of supervisors thereof, and one of whom shall be appointed by the mayor thereof by an order of appointment, a certified copy of which shall be immediately forwarded to the Secretary of State. Four of the directors shall be elected members of the board of supervisors.

SEC. 140. Section 36022 of the Streets and Highways Code is amended to read:

36022. Notice of a hearing held under Section 36021, 36061, or 36080 shall be given by both of the following:

(a) One publication of the resolution of intention in a newspaper of general circulation in the city.

(b) Mailing a complete copy of the resolution of intention to each business in the proposed, or established, area. Publication and mailing shall be completed at least 10 days prior to the time of the hearing.

SEC. 141. Section 127 of the Unemployment Insurance Code is amended to read:

127. "Authorized regulations" means regulations promulgated pursuant to the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, as modified by the provisions of this division, and "regulation" includes the amendment or repeal of a regulation.

SEC. 142. The heading of Article 4 (commencing with Section

3100) of Chapter 5 of Part 2 of Division 1 of the Unemployment Insurance Code is repealed.

SEC. 143. Section 10201 of the Unemployment Insurance Code is amended to read:

10201. As used in this chapter:

(a) "Employer" means any employer subject to Part 1 (commencing with Section 100) of Division 1, except any public entity, as defined by paragraph (3) of subdivision (a) of Section 135, and any nonprofit organization, as described in Section 608.

(b) "Eligible participant" means any person who, prior to beginning training or employment pursuant to this chapter, was either of the following:

(1) Unemployed and either receiving unemployment insurance benefits, or had exhausted eligibility for unemployment insurance benefits within the previous 52 weeks.

(2) Is employed but is determined by the panel to be likely to be displaced and therefore claiming unemployment insurance benefits.

(c) "Panel" means the Employment Training Panel created by Section 10202.

(d) "Fund" means the Employment Training Fund created by Section 1610.

(e) "Department" means the Employment Development Department.

(f) "Training agency" means any private training entity or local educational agency.

SEC. 144. Section 10206 of the Unemployment Insurance Code is amended to read:

10206. The panel may allocate money in the fund for any of the following purposes:

(a) Reimbursement of actual training costs incurred by employers and training agencies and for reasonable administrative costs.

(b) Costs of program administration incurred under this chapter.

For each fiscal year, the panel's administrative costs exclusive of the cost of administering Section 976.6 shall not exceed more than 5 percent of the amount collected pursuant to Section 976.6.

(c) Costs of the Legislative Analyst's program evaluation conducted pursuant to Section 10216.

SEC. 145. Section 320 of the Vehicle Code is amended to read:

320. (a) "Established place of business" is a place actually occupied either continuously or at regular periods by any of the following:

(1) A dealer, remanufacturer, remanufacturer branch, manufacturer, manufacturer branch, distributor, distributor branch, or automobile driving school where the books and records pertinent to the type of business being conducted are kept. The place of business shall have an office and, in the case of a dealer, manufacturer, or remanufacturer, shall have a display or manufacturing area situated on the same property where the business peculiar to the type of license issued by the department is

or may be transacted. When a room or rooms in a hotel, roominghouse, apartment house building, or a part of any single- or multiple-unit dwelling house is used as an office or offices of an established place of business, the room or rooms shall be devoted exclusively to and occupied for the office or offices of the dealer, manufacturer, manufacturer branch, remanufacturer, remanufacturer branch, distributor, distributor branch, or automobile driving school, shall be located on the ground floor, and shall be so constructed as to provide a direct entrance into the room or rooms from the exterior of the building. A dealer who does not offer vehicles for sale at retail, or a dealer who is a wholesaler involved for profit only in the sale of vehicles between licensed dealers, shall have an office, but a display area is not required.

(2) An automobile dismantler where the books and records pertinent to the type of business being conducted are kept. The place of business shall have an office and a dismantling area located in a zone properly zoned for that purpose by the city, county, or city and county. A place of business of an automobile dismantler which qualified as an "established place of business" before September 17, 1970, is an "established place of business" as defined in this section.

(b) A licensee issued an occupational license by the department and conducting more than one type of business from an established place of business, shall provide a clear physical division between the types of business involving vehicles or their component parts. The place of business shall be open to inspection of the premises, pertinent records, and vehicles by any peace officer during business hours.

SEC. 146. Section 522 of the Vehicle Code, as added by Chapter 46 of the Statutes of 1982, is repealed. The repeal made by this section shall not affect the existence or validity of Section 522 of the Vehicle Code, as added by Chapter 185 of the Statutes of 1982.

SEC. 147. Section 10500 of the Vehicle Code is amended to read:

10500. Every peace officer, upon receiving a report based on reliable information that any vehicle has been stolen, taken, or driven in violation of Section 10851 of this code, Section 487 of the Penal Code, or Section 499b of the Penal Code, or that license plates for any vehicle have been lost or stolen, shall, immediately after receiving that information, report the information to the Department of Justice Stolen Vehicle System. An officer, upon recovery of any vehicle which has been previously reported as stolen, taken, or driven in violation of Section 10851 of this code, Section 487 of the Penal Code, or Section 499b of the Penal Code, or of the recovery of plates which have been previously reported as lost or stolen, shall immediately report the fact of the recovery to the Department of Justice Stolen Vehicle System. At the same time, the recovering officer shall advise the Department of Justice Stolen Vehicle System and the original reporting police agency of the location and condition of the vehicle or license plates recovered. The original reporting police agency, upon receipt of the information

from the recovering officer, shall within 48 hours, excluding weekends and holidays, notify the victim of the location and condition of the vehicle recovered.

This section shall remain in effect only until January 1, 1989, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1989, deletes or extends that date.

SEC. 148. Section 21113 of the Vehicle Code is amended to read:

21113. (a) No person shall drive any vehicle or animal, nor shall any person stop, park, or leave standing any vehicle or animal, whether attended or unattended, upon the driveways, paths, parking facilities, or the grounds of any public school, state university, state college, unit of the state park system, county park, municipal airport, rapid transit district, transit development board, or any property under the direct control of the legislative body of a municipality, or any state, county, or hospital district institution or building, or any educational institution exempted, in whole or in part, from taxation, or any harbor improvement district or harbor district formed pursuant to Part 2 (commencing with Section 5800) or Part 3 (commencing with Section 6000) of Division 8 of the Harbors and Navigation Code, or state grounds served by the California State Police, except with the permission of, and upon and subject to any condition or regulation which may be imposed by the legislative body of, the municipality, or the governing board or officer of the public school, state university, state college, county park, municipal airport, rapid transit district, transit development board, or state, county, or hospital district institution or building, or educational institution, or harbor district, or the Director of Parks and Recreation regarding units of the state park system or the state agency with jurisdiction over the grounds served by the California State Police.

(b) Every governing board, legislative body, or officer shall erect or place appropriate signs giving notice of any special conditions or regulations that are imposed under this section, and every board, legislative body, or officer shall also prepare and keep available at the principal administrative office of the board, legislative body, or officer, for examination by all interested persons, a written statement of all those special conditions and regulations adopted under this section.

(c) With respect to driveways, paths, parking facilities, or grounds under the control of any governing board, legislative body, or officer which permits public traffic thereon, all the provisions of this code relating to traffic upon the highways are applicable to the traffic on the driveways, paths, parking facilities, or grounds, except for those conditions imposed or regulations adopted by the governing board, legislative body, or officer, as the case may be.

(d) With respect to the permitted use of vehicles or animals on property under the direct control of the legislative body of a municipality, no change in the use of vehicles or animals on such property, which had been permitted on January 1, 1976, shall be effective unless and until the legislative body, at a meeting open to

the general public, determines that the use of vehicles or animals on such property should be prohibited or regulated.

(e) A transit development board may adopt ordinances, rules, or regulations to restrict, or specify the conditions for, the use of bicycles, motorized bicycles, skateboards, and roller skates on property under the control of, or any portion of property used by, the board.

(f) A public agency, including, but not limited to, the Regents of the University of California and the Trustees of the California State University, may adopt rules or regulations to restrict, or specify the conditions for, the use of bicycles, motorized bicycles, skateboards, and roller skates on public property under the jurisdiction of that agency.

SEC. 149. Section 20560.1 of the Water Code is amended to read:

20560.1. Notwithstanding any other provision of law, any district that owns and operates facilities for the generation, transmission, distribution, and retail sale of electric power on January 1, 1983, is exempt from the Districts Securities Law (Division 10 (commencing with Section 20000)) and, except for Section 20560.2, from all provisions requiring State Treasurer approvals, consents, findings, reports, and submissions contained in this division in connection with any proceedings for the issuance of any bonds, warrants, notes, or other evidences of indebtedness to finance any works of the district for the generation, transmission, distribution, or sale of electric power, and none of the sections of this division requiring any such approvals, consents, findings, reports, and submissions are conditions precedent to, or limitations on, the exercise of any powers of the district in connection with the proceedings.

SEC. 150. Section 71638.3 of the Water Code is amended to read:

71638.3. The secretary shall cause written notice to be mailed to the owner of any affected property which has changed ownership since the last standby assessment or availability charge was fixed and to all persons affected by a proposed increase in the standby assessment or availability charge above the amount set for the preceding year. The notice shall also be published as provided in Section 71632. The notice shall be mailed to the person shown as the owner of the property on the last equalized assessment roll or known to the secretary and shall set forth the time and place the board will consider the matter, together with the schedule of charges proposed to be established. At the time stated in the notice, the board shall hear and consider all objections or protests, if any, to the proposed charges. Upon the conclusion of the hearing, the board may adopt, revise, change, reduce, or modify an assessment or charge, or overrule any or all objections.

SEC. 151. Section 5523 of the Welfare and Institutions Code is amended to read:

5523. (a) Notwithstanding any other provision of law, and without regard to the existence of a guardianship or conservatorship, a recipient of mental health services is presumed competent for the

purpose of entering into an agreement with county patients' rights advocates for the provision of advocacy services unless found by the superior court to be incompetent to enter into an agreement with an advocate and a guardian ad litem is appointed for such purposes.

(b) In conducting investigations in cases in which an advocate has not received a request for advocacy services from a recipient of mental health services or from another person on behalf of a recipient of mental health services, the advocate shall notify the treating professional responsible for the care of any recipient of services whom the advocate wishes to interview, and the facility, service, or program administrator, of his or her intention to conduct such an interview. Whenever the treating professional is reasonably available for consultation, the advocate shall consult with the professional concerning the appropriate time to conduct the interview.

(c) Any agreement with any county patients' rights advocate entered into by a mental health client shall be made knowingly and voluntarily or by a guardian ad litem. It shall be in a language or modality which the client understands. Any such agreement may, at any time, be revoked by the client or by the guardian ad litem, whoever has entered into the agreement, either in writing or by oral declaration to the advocate.

(d) Nothing in this chapter shall be construed to prohibit a recipient of mental health services from being represented by public or private legal counsel of his or her choice.

(e) The remedies provided by this chapter shall be in addition to any other remedies which may be available to any person, and the failure to pursue or exhaust the remedies or engage in the procedures provided by this chapter shall not preclude the invocation of any other remedy.

(f) Investigations concerning violations of a past recipients' rights shall be limited to cases involving discrimination, cases indicating the need for education or training, or cases having a direct bearing on violations of the right of a current recipient. This subdivision is not intended to constrain the routine monitoring for compliance with patients' rights provisions described in subdivision (b) of Section 5520.

SEC. 152. Section 14018.4 of the Welfare and Institutions Code, as added by Chapter 819 of the Statutes of 1983, is repealed. The repeal made by this section shall not affect the existence or validity of Section 14018.4 of the Welfare and Institutions Code, as added and repealed by Chapter 1315 of the Statutes of 1983.

SEC. 153. Section 14088.1 of the Welfare and Institutions Code, as added by Chapter 579 of the Statutes of 1983, is amended and renumbered to read:

14088.8. Prior to entering into any contract for primary care case management under this chapter, the department shall provide public notice of its intent to enter into such a contract.

SEC. 154. Section 14132.3 of the Welfare and Institutions Code, as

added by Chapter 1173 of the Statutes of 1983, is amended and renumbered to read:

14132.5. Notwithstanding any other provision of this chapter, the Medi-Cal program shall pay for donor and recipient surgery, subject to utilization controls, when a liver transplant is provided a beneficiary under this chapter, provided that the medical facility involved has been approved by the department to perform liver transplant surgery.

SEC. 155. Section 58 of Chapter 142 of the Statutes of 1983 is repealed.

SEC. 156. Section 59 of Chapter 142 of the Statutes of 1983 is repealed.

SEC. 157. Any section of any act enacted by the Legislature during the 1984 calendar year, which takes effect on or before January 1, 1985, and which amends, amends and renumbers, adds, repeals and adds, or repeals a section amended, amended and renumbered, repealed and added, or repealed by this act, shall prevail over this act, whether that act is enacted prior to or subsequent to this act.

CHAPTER 194

An act to amend Section 68525 of, and to repeal Sections 68513, 68513.2, 68513.4, 68514, 68514.2, 68515, 68516, 68517, 68518, 68519, 68519.5, 68520.5, 68521, 68521.5, 68522, 68523, 68526, 68527, 68528, 68529, 68530, 68531, 68532, 68533, 68534, 68535, 68536, 70045.2, 70046.3, 70114, 70129, and 72604.5 of, the Government Code, relating to courts.

[Approved by Governor June 12, 1984. Filed with Secretary of State June 13, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 68525 of the Government Code is amended to read:

68525. (a) The board of supervisors of each county may require each official reporter and official temporary reporter to:

(1) Maintain records of transcript production and related income and expenses for inspection and auditing.

(2) Submit annual reports derived from the records, with a verification of their accuracy.

(b) The reports shall be submitted in sealed envelopes to a designated official and shall be reviewed only by those persons having authority to inspect and audit the records and reports. The records and reports of each reporter shall be confidential and shall be reviewed only to derive composite data for setting a base salary for the official reporters and official temporary reporters of each

court. The composite data shall be a matter of public record.

(c) Each such annual report shall include the following information:

(1) The quantity and types of transcripts prepared by the official reporters and official reporters pro tempore during the reporting period.

(2) The fees charged and the fees collected for such transcripts.

(3) Expenses incurred by the reporters in connection with the preparation of such transcripts.

(4) The amount of time the reporters have spent in attendance upon the courts for the purpose of reporting proceedings, and the compensation received for this purpose.

SEC. 2. Section 68513 of the Government Code is repealed.

SEC. 3. Section 68513.2 of the Government Code is repealed.

SEC. 4. Section 68513.4 of the Government Code is repealed.

SEC. 5. Section 68514 of the Government Code is repealed.

SEC. 6. Section 68514.2 of the Government Code is repealed.

SEC. 7. Section 68515 of the Government Code is repealed.

SEC. 8. Section 68516 of the Government Code is repealed.

SEC. 9. Section 68517 of the Government Code is repealed.

SEC. 10. Section 68518 of the Government Code is repealed.

SEC. 11. Section 68519 of the Government Code is repealed.

SEC. 12. Section 68519.5 of the Government Code is repealed.

SEC. 13. Section 68520.5 of the Government Code is repealed.

SEC. 14. Section 68521 of the Government Code is repealed.

SEC. 15. Section 68521.5 of the Government Code is repealed.

SEC. 16. Section 68522 of the Government Code is repealed.

SEC. 17. Section 68523 of the Government Code is repealed.

SEC. 18. Section 68526 of the Government Code is repealed.

SEC. 19. Section 68527 of the Government Code is repealed.

SEC. 20. Section 68528 of the Government Code is repealed.

SEC. 21. Section 68529 of the Government Code is repealed.

SEC. 22. Section 68530 of the Government Code is repealed.

SEC. 23. Section 68531 of the Government Code is repealed.

SEC. 24. Section 68532 of the Government Code is repealed.

SEC. 25. Section 68533 of the Government Code is repealed.

SEC. 26. Section 68534 of the Government Code is repealed.

SEC. 27. Section 68535 of the Government Code is repealed.

SEC. 28. Section 68536 of the Government Code is repealed.

SEC. 29. Section 70045.2 of the Government Code is repealed.

SEC. 30. Section 70046.3 of the Government Code is repealed.

SEC. 31. Section 70114 of the Government Code is repealed.

SEC. 32. Section 70129 of the Government Code is repealed.

SEC. 33. Section 72604.5 of the Government Code is repealed.

CHAPTER 195

An act to amend Sections 50078.8, 50078.10, and 56470 of the Government Code, relating to public entities, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 12, 1984. Filed with Secretary of State June 13, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 50078.8 of the Government Code is amended to read:

50078.8. At any time not later than the hour set for the hearing, any holder, whether a fee owner, lessee, or otherwise, of the interest in the property which is proposed to be assessed and who will be obligated to pay any proposed assessment, may make written protest against the proposed assessment. The protest shall be in writing, shall contain a description of the property and the interest in the property which each signer of the protest represents, sufficient to identify the property, and, if the signers are not shown on the last equalized assessment roll as the owners of that property, shall contain or be accompanied by written evidence that the signers are the holders of the property interest proposed to be charged and who will be obligated to pay the proposed charge. All protests shall be delivered to the clerk of the local agency and, for the purposes of Sections 50078.11 and 50078.12, no other protests or objections shall be considered.

SEC. 2. Section 50078.10 of the Government Code is amended to read:

50078.10. (a) At the time, date, and place stated in the notice the legislative body shall hear and consider all objections or protests, if any, to the report referred to in the notice and shall also hear and determine all protests as provided in Sections 50078.11 and 50078.12. The legislative body may continue the hearing from time to time.

(b) Any written protest may be withdrawn, in writing, by the person who made the protest at any time prior to the conclusion of the protest hearing or any adjournment of the hearing.

SEC. 3. Section 56470 of the Government Code is amended to read:

56470. Any change of organization or reorganization may provide for, or be made subject to one or more of, the following terms and conditions, provided that any of the following terms and conditions shall not directly regulate land use, property development, or subdivision requirements:

(a) The payment of a fixed or determinable amount of money, either as a lump sum or in installments, for the acquisition, transfer, use or right of use of all or any part of the existing property, real or personal, of any city, county, or district.

(b) The levying or fixing and the collection of (1) special, extraordinary, or additional taxes or assessments, or (2) special, extraordinary, or additional service charges, rentals, or rates, or (3) both, for the purpose of providing for any payment required pursuant to subdivision (a) of this section.

(c) The imposition, exemption, transfer, division, or apportionment, as among any affected cities, counties, districts, and territory of liability for payment of all or any part of principal, interest, and any other amounts which shall become due on account of all or any part of any outstanding or then authorized but thereafter issued bonds, including revenue bonds, or other contracts or obligations of any city, county, district or any improvement district therein and the levying or fixing and the collection of any (1) taxes or assessments, or (2) service charges, rentals, or rates or, (3) both in the same manner as provided in the original authorization of the bonds and in the amount necessary to provide for such payment.

(d) If, as a result of any term or condition made pursuant to subdivision (c), the liability of any affected city, county, or district for payment of the principal of any bonded indebtedness shall be increased or decreased, the term and condition may specify the amount, if any, of such increase or decrease which shall be included in, or excluded from, the outstanding bonded indebtedness of any such agency for the purpose of the application of any statute or charter provision imposing a limitation upon the principal amount of outstanding bonded indebtedness of such agency.

(e) The formation of a new improvement district or districts or the annexation or detachment of territory to, or from, any existing improvement district or districts.

(f) The incurring of new indebtedness or liability by, or on behalf of, all or any part of any district, including territory being annexed to any district, or of any existing or proposed new improvement district therein. The new indebtedness may be the obligation solely of territory to be annexed provided the district has the authority to establish zones for incurring indebtedness. The indebtedness or liability shall be incurred substantially in accordance with the laws otherwise applicable to the district.

(g) The issuance and sale of any bonds, including authorized but unissued bonds of a subject district, either by such district or by a district designated as the successor to any district which shall be extinguished as a result of any change of organization or reorganization.

(h) The acquisition, improvement, disposition, sale, transfer, or division of any property, real or personal.

(i) The disposition, transfer, or division of any moneys or funds (including cash on hand and moneys due but uncollected) and any other obligations.

(j) The fixing and establishment of priorities of use or right of use of water, or capacity rights in any public improvements or facilities or of any other property, real or personal.

(k) The establishment, continuation, or termination of any office, department, or board, or the transfer, combining, consolidation, or separation of any offices, departments, or boards, or any of the functions thereof, if, and to the extent that, any such matters shall be authorized by the principal act.

(*l*) The employment, transfer, or discharge of employees, the continuation, modification, or termination of existing employment contracts, civil service rights, seniority rights, retirement rights, and other employee benefits and rights.

(m) The designation of a city, county, or district, as the successor to any district which shall be extinguished as a result of any change of organization or reorganization, for the purpose of succeeding to all of the rights, duties, and obligations of the extinguished district with respect to enforcement, performance or payment of any outstanding bonds, including revenue bonds, or other contracts and obligations of said extinguished district.

(n) The designation (1) of the method for the selection of members of the legislative body of a district or (2) the number of such members, (3) or both, where the proceedings are for a consolidation, or a reorganization providing for a consolidation or formation of a new district and the principal act provides for alternative methods of such selection or for varying numbers of such members, or both.

(o) The initiation, conduct, or completion of proceedings on a proposal made under and pursuant to the Knox-Nisbet Act, Chapter 6.6 (commencing with Section 54773) of Division 2, Title 5.

(p) The fixing of the effective date of any change of organization, subject to the limitations of Section 56456.

(q) Any terms and conditions authorized or required by the principal act with respect to any change of organization.

(r) The continuation or provision of any service currently provided or previously authorized by official act of the district to be provided.

(s) The levying of a benefit assessment or the approval by the voters of a special tax.

(t) The continuation of any previously authorized standby or availability charge, benefit assessment, or special tax by a successor city or district.

(u) Any other matters necessary or incidental to any of the foregoing.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to assure that adequate local funding continues for fire suppression activities after jurisdictional changes, it is necessary for this act to take effect immediately.

CHAPTER 196

An act to amend Sections 12110, 12111, 12112, 12113, 12115, 12116, and 12117 of the Education Code, and to add Article 5.5 (commencing with Section 10383) to Chapter 2 of Part 2 of Division 2 of the Public Contract Code, relating to surplus property, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 12, 1984. Filed with Secretary of State June 13, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 12110 of the Education Code is amended to read:

12110. The State Department of Education is hereby designated as the California State Agency for Donated Food Distribution.

SEC. 2. Section 12111 of the Education Code is amended to read:

12111. The California State Agency for Donated Food Distribution is authorized and directed to cooperate with the federal government and its agencies in securing the expeditious and equitable distribution of surplus food commodities donated by the federal government to public agencies, institutions, and organizations in California, to assist those public agencies, institutions, and organizations in securing those food commodities and to do all things necessary to the execution of its powers and duties.

The state agency may enter into cooperative agreements with federal agencies to assist it in carrying out the purposes of this article.

SEC. 3. Section 12112 of the Education Code is amended to read:

12112. Whenever by any act of Congress or any rule or regulation adopted thereunder the agency is authorized to accept, receive, or purchase for resale from the federal government or any agency thereof, or any state agency at the request of, and with the approval of, the Department of General Services, any food commodities and to provide for its disposition or resale, it is authorized to do so and is vested with all necessary power and authority to accomplish the acceptance, purchase, receipt, disposition and resale. The agency is hereby exempted from Article 2 (commencing with Section 14790) of Chapter 6 of Part 5.5 of Division 3 of Title 2 of the Government Code.

SEC. 4. Section 12113 of the Education Code is amended to read:

12113. (1) The California State Agency for Donated Food Distribution in providing for the disposition of food commodities shall require the payment of such charges by the parties to whom food commodities are transferred as the agency estimates will reimburse the agency for the average costs of procuring, storing, handling, and disposing of those food commodities. All moneys received by the agency for charges under this section or its

predecessor shall be paid into the State Treasury to the credit of the Donated Property Revolving Fund. The agency may reduce or eliminate charges on donated food commodities found not to be usable for the purpose for which procured. Any moneys found by the agency to be in excess of the costs incurred in procuring, storing, handling, and disposing of donated food commodities may, upon approval of the Department of Finance, be refunded to the parties from whom the moneys were received. Moneys refunded to the state agencies specified in subdivision (2) of this section shall be deposited in the State Treasury as provided in that subdivision.

(2) Notwithstanding any other provision of law, (a) the State Department of Education, acting for state agencies supported principally from the General Fund, and (b) state agencies supported principally from a special fund of the State Treasury, shall deposit refunds received under subdivision (1) of this section to the credit of the state fund from which the state agency receives its principal support. The Department of Finance shall determine the fund from which the state agency receives its principal support.

SEC. 5. Section 12115 of the Education Code is amended to read:

12115. There is hereby created in the State Treasury the Donated Food Revolving Fund. The State Department of Education shall identify all assets in the Surplus Property Revolving Fund. The assets shall be separated by the State Department of Education into those assets which pertain to the Surplus Personal Property Program and those assets which pertain to the Donated Food Program. The unencumbered assets pertaining to surplus personal property will be transferred to the Department of General Services and deposited in the Surplus Personal Property Revolving Fund. The cash resources of the Donated Food Program shall be deposited into the Donated Food Revolving Fund. All costs of the California State Agency for Donated Food Distribution, including, but not limited to, costs of procuring, transporting, shipping, and storing surplus property or food commodities of the federal government or other agencies or individuals and its distribution to public agencies and other eligible institutions and organizations, costs of general assistance and real property procurement, and costs of consultant and contract services, shall be paid from this fund. The Donated Food Revolving Fund shall be reimbursed from the support appropriation for the agency for costs of general assistance and real property procurement in accordance with Sections 11251 and 11252 of the Government Code. The Surplus Property Revolving Fund shall cease to be a fund in the State Treasury when notification is received from the State Department of Education, verified by the Department of Finance, that all balances in the fund have been reduced to zero.

SEC. 6. Section 12116 of the Education Code is amended to read:

12116. The California State Agency for Donated Food Distribution may send representatives out of this state for the purpose of inspecting food commodities or conferring with federal and other state officials, provided the traveling and expenses have

been approved by the Governor and by the Department of Finance. The out-of-state travel shall not come within the limitation imposed in Section 33335 or 71049.

SEC. 7. Section 12117 of the Education Code is amended to read:

12117. The State Agency for Donated Food Distribution may, without at the time furnishing vouchers or itemized statements, draw from the Donated Food Revolving Fund for use as a departmental revolving fund:

(a) A sum of not to exceed thirty thousand dollars ($30,000), or

(b) With the approval of the Department of Finance a sum in excess of thirty thousand dollars ($30,000).

Any moneys so withdrawn may only be used, in accordance with law and the Board of Control rules, for payment of compensation earned, traveling expense, traveling expense advances or where immediate payment is otherwise necessary. All disbursements from the revolving fund must be substantiated by vouchers filed with and audited by the Controller. From time to time, disbursements, supported by vouchers, may be reported to the Controller in connection with claims for reimbursement of the departmental revolving fund. At any time upon the demand of the Department of Finance or the Controller, such revolving fund must be accounted for and substantiated by vouchers and itemized statements submitted to and audited by the Controller.

SEC. 8. Article 5.5 (commencing with Section 10383) is added to Chapter 2 of Part 2 of Division 2 of the Public Contract Code, to read:

Article 5.5. Federal Surplus Personal Property

10383. The Department of General Services is hereby designated as the agency for the State of California responsible for distribution of federal surplus personal property, excepting food commodities, in accordance with subdivision (j) of Section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. Sec. 484), as amended, and succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the State Department of Education with respect to the distribution of federal surplus personal property, excepting the duties, purposes, responsibilities, and jurisdiction exercised by the State Department of Education with respect to the distribution of federal surplus food commodities.

10383.1. The department shall cooperate with the federal government and its agencies in securing the expeditious and equitable distribution of surplus personal property of the federal government, excepting food commodities, to eligible institutions in California, assist those institutions in securing that property, and do all things necessary to the execution of its powers and duties as the state agency for the distribution of federal personal surplus property, excepting food commodities, in accordance with subdivision (j) of Section 203 of the Federal Property and Administrative Services Act

of 1949, as amended.

10383.2. The department may enter into cooperative agreements with, and may provide for utilization by, federal agencies, with or without payment or reimbursement, of the property, facilities, personnel, and services of the department in carrying out the purposes of this article.

10383.3. The Director of General Services may create a committee to serve as an advisory body to the department to ensure that distribution of federal surplus personal property to eligible recipients will be accomplished fairly and equitably. In the event that such a committee is created, the membership shall be representative of a cross section of those institutions that are eligible recipients, and the members shall serve without compensation but shall be reimbursed for any actual and necessary expenses incurred in connection with the performance of their advisory function.

10383.4. The department shall develop a detailed state plan of operation in accordance with subdivision (j) of Section 203 of the Federal Property and Administrative Services Act of 1949, as amended, and the Governor shall certify and submit the plan to the Administrator of the Federal General Services Administration.

10383.5. There is hereby created in the State Treasury the Surplus Personal Property Revolving Fund into which fund shall be deposited the cash resources of the Surplus Property - Hardware Program. Further, all assets and liabilities residing in the Surplus Property Revolving Fund - Hardware Program, except for the account due to the Commodity Program, as mutually agreed by the State Department of Education and the Department of General Services, shall be concurrently transferred to the Department of General Services. All costs of the department attributable to the distribution of surplus personal property pursuant to this article shall be paid from this fund.

10383.6. The Department of General Services shall have the possession and control of all records, papers, offices, equipment, supplies, moneys, funds, appropriations, land, and other property real or personal held for the benefit or use of the State Department of Education in the performance of the duties, powers, purposes, responsibilities, and jurisdiction pertaining to surplus personal property, excepting food commodities, that on the operative date of this section are vested in the Department of General Services.

10383.7. All officers and employees of the State Department of Education as mutually agreed by the Department of General Services to be on the operative date of this section serving in the state civil service, other than as temporary employees, and engaged in the performance of the function vested in the Department of General Services by this article shall be transferred to the Department of General Services. The status, position, and rights of such persons shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of General Services pursuant to the State Civil Service Act, except as to positions exempt

from civil service.

10383.8. The department may make all rules and regulations consistent with the law for the purpose of carrying into effect the provisions of this article. Those rules and regulations shall be adopted, amended, or repealed in accordance with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 8.5. This act shall become operative on July 1, 1984, unless it is chaptered after July 1, 1984, in which case it shall become operative on the date on which it is chaptered.

SEC. 9. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the distribution of federal surplus property be undertaken at the beginning of the 1984–85 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 197

An act to amend Sections 6202, 6231, and 6265 of, and to add Section 6201.3 to, the Public Utilities Code, relating to franchises.

[Approved by Governor June 13, 1984. Filed with Secretary of State June 13, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 6201.3 is added to the Public Utilities Code, to read:

6201.3. As used in this chapter, "industrial gas" means any substance which is in a gaseous state at ambient conditions of temperature and pressure used for commercial, industrial, or scientific purposes, but does not include any gaseous hydrocarbon used for light, heat, power, or feedstock.

SEC. 2. Section 6202 of the Public Utilities Code is amended to read:

6202. The legislative body of any municipality may grant a franchise to any person, firm, or corporation, whether operating under an existing franchise or not, to use, or to construct and use, poles, wires, conduits, and appurtenances for transmitting and distributing electricity for all purposes, or to use, or to lay and use, pipes and appurtenances for transmitting and distributing gas or industrial gas for all purposes, or to use, or to lay and use, pipes and appurtenances for transmitting and distributing oil or products thereof for all purposes, or to lay and use pipes, ditches, flumes, conduits, and appurtenances for transmitting and distributing water for all purposes, under, along, across, or upon the public streets, ways,

alleys, and places within the municipality, upon the terms and conditions provided in this chapter.

SEC. 3. Section 6231 of the Public Utilities Code is amended to read:

6231. An applicant for a franchise shall file with the legislative body of the municipality in which the franchise is desired an application stating all of the following:

(a) The name of the applicant.

(b) The purpose and term, whether definite or indeterminate, for which the franchise is desired.

(c) That the applicant if granted the franchise will pay to the municipality during the life of the franchise 2 percent of the applicant's gross annual receipts arising from the use, operation, or possession of the franchise, except that this payment shall be not less than 1 percent of the applicant's gross annual receipts derived from the sale within the limits of the municipality of the utility service for which the franchise is awarded. If the application is for a franchise complementary to a franchise derived under Section 19 of Article XI of the California Constitution as that section existed prior to its amendment on October 10, 1911, then the applicant shall pay annually, if the application is for an electric franchise, 2 percent of the applicant's gross annual receipts arising from the use, operation, or possession of the franchise, except that this payment shall be not less than one-half of 1 percent of the applicant's gross annual receipts from the sale of electricity within the limits of the municipality under both the electric franchises; or, if the application is for a gas, oil pipeline, or water franchise, 2 percent of the applicant's gross annual receipts arising from the use, operation, or possession of the franchise, except that this payment shall be not less than 1 percent of the gross annual receipts from the sale of gas or water within the limits of the municipality under both the gas franchises or both the water franchises.

Notwithstanding any other provision of this section, if the application is for a franchise for a nonpublic utility pipeline for industrial gas or oil or products thereof, the application shall state that the applicant, if granted the franchise, will pay to the municipality during the life of the franchise either a specified percentage agreed to by the applicant and the municipality of the gross annual receipts of the applicant arising from the use, operation, or possession of the franchise or an annual franchise fee in an amount agreed to by the applicant and the municipality or an annual franchise fee computed by multiplying the sum of one-half cent ($0.005) times the nominal internal diameter of the pipe, expressed in inches, times the number of lineal feet of the pipe within the public streets, ways, alleys, or other public places within the municipality.

SEC. 4. Section 6265 of the Public Utilities Code is amended to read:

6265. Every gas franchise granted pursuant to this chapter

confers upon the grantee the right to use, or to lay and use, gas pipes and appurtenances for the purpose of transmitting and distributing gas; every oil franchise so granted confers upon the grantee thereof the right to use, or lay and use, oil pipes and appurtenances for the purpose of transmitting and distributing oil or products thereof; every industrial gas franchise so granted confers upon the grantee the right to use, or lay and use, industrial gas pipelines and appurtenances for the purpose of transmitting and distributing industrial gas; every water franchise so granted confers upon the grantee thereof the right to use, or to lay and use, pipes, ditches, flumes, conduits, and appurtenances for the purpose of transmitting and distributing water; and every electric franchise so granted confers upon the grantee thereof the right to use, or to construct and use, poles, wires or conduits and appurtenances for the purpose of transmitting and distributing electricity for all purposes, under, along, across, or upon the public streets, ways, alleys, and places as they now or hereafter exist within the municipality.

CHAPTER 198

An act to amend Section 8650.1 of, and to add Section 8682.1 to, the Streets and Highways Code, relating to improvement bond acts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 13, 1984. Filed with Secretary of State June 13, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 8650.1 of the Streets and Highways Code is amended to read:

8650.1. The legislative body, in its discretion, may determine, either (a) in the resolution of intention describing the improvement work, or (b) thereafter in the change proceedings taken under and in accordance with the provisions of the same act under which the resolution of intention was adopted, that the principal amount of the bonds maturing each year shall be other than an amount equal to an even annual proportion of the aggregate principal of the bonds, and it may determine that the amount of principal maturing in each year plus the amount of interest payable in that year will be an aggregate amount that is equal each year, except for the moneys falling due on the first series of the bonds which shall be adjusted to reflect the amount of interest earned from the date when the bonds bear interest to the date when the first interest is payable on the bonds; or it may make other determination of the amount of the aggregate principal of the bonds that shall fall due in a year as it shall choose.

Notwithstanding Section 8652, the legislative body may prescribe the form of the bonds and shall fix the date of the bonds. The

legislative body may divide the principal amount of any issue into two or more divisions and fix different dates for the payment of bonds of each division. The bonds of one division may be made payable at different times than bonds of any other division.

The legislative body, in its discretion, may determine in like manner to classify assessments into different terms of maturity so that smaller assessments may be made to mature over a shorter period of time and, in that event, the bond declaration in the resolution of intention, or in the change proceedings taken under and in accordance with the provisions of the same act under which the resolution of intention was adopted, in the assessment, and in the notice of recording the assessment may recite that the last installment of bonds shall mature a maximum rather than an exact number of years from the second day of July next succeeding 10 months from their date.

SEC. 2. Section 8682.1 is added to the Streets and Highways Code, to read:

8682.1. In addition to the amounts set forth in Section 8682, the auditor shall further annually enter in the assessment roll on which taxes will next become due, opposite each lot or parcel of land affected, in the manner set forth in Section 8682, each lot or parcel's pro rata share of annual expenses of the city in connection with the registration of the bonds under the system of registration authorized by Chapter 1.5 (commencing with Section 5050) of Division 6 of Title 1 of the Government Code, as determined by the legislative body. The expenses shall include the amount or estimated amount necessary to pay the fees and charges coming due during the fiscal year covered by the assessment roll of corporate or other authenticating agents, transfer agents, registrars, and paying agents or other agents of the city. If the city performs any transfer, registration, authentication, payment, or other function described in this section, the expenses shall include a pro rata amount of the salaries of the city employees involved in the performance of the functions and all other costs incurred by the city in connection with the functions.

Alternatively the legislative body may elect to include in the assessment, and in the amount of the bonds, the estimated aggregate total of the expenses throughout the term of the bonds and to pay the annual amounts of the expenses from the fund created. Any amount remaining in the fund upon the retirement of the bonds shall be disposed of as provided in Section 8783.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to clarify the manner in which the expenses of the system of registration required by Chapter 1.5 (commencing with Section 5050) of Division 6 of Title 1 of the Government Code may be paid for bonds issued pursuant to the Improvement Bond Act of 1915

(Division 10 (commencing with Section 8500) of the Streets and Highways Code) for the guidance and benefit of local agencies that have issued these bonds subsequent to July 1, 1983, or are now planning to issue these bonds, and in order to increase flexibility in redemption of bonds issued under the Improvement Bond Act of 1915, it is necessary that this act take effect immediately.

CHAPTER 199

An act to amend Section 1802.10 of the Civil Code, and to amend Sections 18215, 18292, 22456, 22458.2, 22472, 24456, 24458.2, and 24472 of, and to add Section 18296 to, the Financial Code, relating to loans.

[Approved by Governor June 13, 1984. Filed with Secretary of State June 13, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 1802.10 of the Civil Code is amended to read:

1802.10. "Finance charge" means the amount however denominated or expressed which the retail buyer contracts to pay or pays for the privilege of purchasing goods or services to be paid for by the buyer in installments. "Finance charge" does not include the amounts, if any, charged for insurance premiums, including premiums of the kind and to the extent described in paragraph (2) of subsection (e) of Section 226.4 of Regulation Z, delinquency charges, attorney's fees, court costs, collection expenses, official fees, extension or deferral agreement charges as provided by Section 1807.1, or amounts for insurance, repairs to or preservation of the goods, or preservation of the holder's security interest therein advanced by the holder subsequent to the execution of a contract.

SEC. 2. Section 18215 of the Financial Code is amended to read:

18215. An industrial loan company may contract for, collect, and receive at the time of making the loan or at any time thereafter, any of the following:

(a) Any cost of publication as required by law.

(b) The statutory fee paid by it to any public officer for acknowledging, filing, recording, or releasing in any public office any instrument securing the loan or executed in connection with a loan.

(c) Premiums of the kind and to the extent described in paragraph (2) of subsection (e) of Section 226.4 of Regulation Z promulgated by the Board of Governors of the Federal Reserve System (12 C.F.R. 226.1 et seq.).

These amounts are not included in computing the maximum charges which may be made under this division.

SEC. 3. Section 18292 of the Financial Code is amended to read:

18292. (a) If credit disability insurance is provided pursuant to

this division, it shall not provide indemnity against the risk of a borrower becoming disabled for a period of less than 14 days. The insurance may provide indemnity for any single period of continuous disability of 14 days or longer, after which the risk may become compensable. The insurance may be offered with retroactive coverage to an earlier date based upon the disability having continued for a period stated in the policy, but if insurance with retroactive coverage is offered, it shall also be offered without retroactive coverage, and the premium rate for each coverage shall be separately stated in writing to the borrower.

(b) If insurance with retroactive coverage is provided, the coverage shall provide for a prorated payment based upon the fraction of the month during which the insured is disabled, provided that the insured is continuously disabled during the waiting period set forth in the policy. If insurance without retroactive coverage is provided, the coverage shall provide for a prorated payment based upon the fraction of the month during which the insured is disabled, after first excluding the elimination period set forth in the policy. For the purpose of this subdivision, a month is any period of 30 consecutive days.

(c) Credit disability insurance, if made available by an industrial loan company, shall be available on a monthly or annual premium basis, and the premium by the month shall not exceed a pro rata relationship to the annual premium. Credit disability insurance need not be offered for a period less than the term of the loan to which it is applicable and no credit disability insurance shall be written for a period in excess of the term of the loan to which it is applicable.

(d) The monthly disability benefit payable with respect to an open end loan shall not exceed the monthly payment computed pursuant to Section 18300 on the outstanding balance at the time the disability is incurred.

SEC. 4. Section 18296 is added to the Financial Code, to read:

18296. An industrial loan company may collect the costs of insurance of the type defined by subdivision (a) of Section 12640.02 of the Insurance Code. Costs authorized by this section are not included in the maximum charges which may be made under this division.

SEC. 5. Section 22456 of the Financial Code is amended to read:

22456. No person in connection with or incidental to the making of any loan regulated by this division may require the borrower to contract for, purchase, or agree to purchase any other thing in connection with the loan. A policy of insurance of the type specified in Section 22458 is not prohibited by this section. A policy of insurance of the type defined by subdivision (a) of Section 12640.02 of the Insurance Code shall not be deemed to be a collateral sale, purchase, or agreement within the terms of this section or of Section 22004 or 22457.

SEC. 6. Section 22458.2 of the Financial Code is amended to read:

22458.2. (a) Credit disability insurance written pursuant to

Section 22458.1 shall not provide indemnity against the risk of a borrower becoming disabled for a period of less than 14 days. The insurance may provide indemnity for any single period of continuous disability of 14 days or longer, after which the risk may become compensable. The insurance may be offered with retroactive coverage to an earlier date based upon the disability having continued for a period stated in the policy, but if insurance with retroactive coverage is offered, it shall also be offered without retroactive coverage, and the premium rate for each coverage shall be separately stated in writing to the borrower.

(b) If insurance with retroactive coverage is provided, the coverage shall provide for a prorated payment based upon the fraction of the month during which the insured is disabled, provided that the insured is continuously disabled during the waiting period set forth in the policy. If insurance without retroactive coverage is provided, the coverage shall provide for a prorated payment based upon the fraction of the month during which the insured is disabled, after first excluding the elimination period set forth in the policy. For the purpose of this subdivision, a month is any period of 30 consecutive days.

(c) Credit disability insurance, if made available by a licensee, shall be available on a monthly or annual premium basis, and the premium by the month shall not exceed a pro rata relationship to the annual premium. Credit disability insurance need not be offered for a period less than the term of the loan to which it is applicable, and no credit disability insurance shall be written for a period in excess of the term of the loan to which it is applicable.

(d) The monthly disability benefit payable with respect to an open end loan shall not exceed the monthly payment computed pursuant to Section 22452 on the outstanding balance at the time the disability is incurred.

SEC. 7. Section 22472 of the Financial Code is amended to read:

22472. This article does not prohibit any licensee from contracting for, collecting, or receiving the following:

(a) The statutory fee paid by the licensee to any public officer for acknowledging, filing, recording, or releasing in any public office any instrument securing the loan or executed in connection with the loan.

(b) Premiums paid by the licensee of the kind and to the extent described in paragraph (2) of subsection (e) of Section 226.4 of Regulation Z promulgated by the Board of Governors of the Federal Reserve System (12 C.F.R. 226.1 et seq.).

These amounts are not included in determining the maximum charges which may be made under this article.

SEC. 8. Section 24456 of the Financial Code is amended to read:

24456. No person in connection with or incidental to the making of any loan regulated by this division may require the borrower to contract for, purchase, or agree to purchase any other thing in connection with the loan. A policy of insurance of the type specified

in Section 24458 and credit life and disability insurance is not prohibited by this section. A policy of insurance of the type defined by subdivision (a) of Section 12640.02 of the Insurance Code shall not be deemed to be a collateral sale, purchase, or agreement within the terms of this section or of Section 24004 or 24457.

SEC. 9. Section 24458.2 of the Financial Code is amended to read:

24458.2. (a) Credit disability insurance written pursuant to Section 24458.1 shall not provide indemnity against the risk of a borrower becoming disabled for a period of less than 14 days. The insurance may provide indemnity for any single period of continuous disability of 14 days or longer, after which the risk may become compensable. The insurance may be offered with retroactive coverage to an earlier date based upon the disability having continued for a period stated in the policy, but if insurance with retroactive coverage is offered, it shall also be offered without retroactive coverage, and the premium rate for each coverage shall be separately stated in writing to the borrower.

(b) If insurance with retroactive coverage is provided, the coverage shall provide for a prorated payment based upon the fraction of the month during which the insured is disabled, provided that the insured is continuously disabled during the waiting period set forth in the policy. If insurance without retroactive coverage is provided, the coverage shall provide for a prorated payment based upon the fraction of the month during which the insured is disabled, after first excluding the elimination period set forth in the policy. For the purpose of this subdivision, a month is any period of 30 consecutive days.

(c) Credit disability insurance, if made available by a licensee, shall be available on a monthly or annual premium basis, and the premium by the month shall not exceed a pro rata relationship to the annual premium. Credit disability insurance need not be offered for a period less than the term of the loan to which it is applicable and no credit disability insurance shall be written for a period in excess of the term of the loan to which it is applicable.

(d) The monthly disability benefit payable with respect to an open-end loan shall not exceed the monthly payment computed pursuant to Section 24452 on the outstanding balance at the time the disability is incurred.

SEC. 10. Section 24472 of the Financial Code is amended to read:

24472. This article does not prohibit any licensee from contracting for, collecting, or receiving the following:

(a) The statutory fee paid by the licensee to any public officer for acknowledging, filing, recording, or releasing in any public office any instrument securing the loan or executed in connection with the loan.

(b) Premiums paid by the licensee of the kind and to the extent described in paragraph (2) of subsection (e) of Section 226.4 of Regulation Z promulgated by the Board of Governors of the Federal Reserve System (12 C.F.R. 226.1 et seq.).

These amounts are not included in determining the applicable maximum charges which may be made under this article.

CHAPTER 200

An act to amend Section 10857 of the Revenue and Taxation Code, relating to vehicles.

[Approved by Governor June 13, 1984. Filed with Secretary of State June 13, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 10857 of the Revenue and Taxation Code is amended to read:

10857. No penalty fee shall be assessed for the delinquent payment of a vehicle license fee, when subsequent to the date on which the fee became due, the vehicle is repossessed on behalf of any legal owner, if the license fee is paid within 60 days of taking possession.

CHAPTER 201

An act to amend Section 2326 of the Commercial Code, relating to sales.

[Approved by Governor June 13, 1984 Filed with Secretary of State June 13, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 2326 of the Commercial Code is amended to read:

2326. (1) Unless otherwise agreed, if delivered goods may be returned by the buyer even though they conform to the contract, the transaction is

(a) A "sale on approval" if the goods are delivered primarily for use, and

(b) A "sale or return" if the goods are delivered primarily for resale.

(2) Except as provided in subdivision (3), goods held on approval are not subject to the claims of the buyer's creditors until acceptance; goods held on sale or return are subject to such claims while in the buyer's possession.

(3) Where goods are delivered to a person for sale and the person maintains a place of business at which he or she deals in goods of the kind involved, under a name other than the name of the person

making delivery, then with respect to claims of creditors of the person conducting the business the goods are deemed to be on sale or return. The provisions of this subdivision are applicable even though an agreement purports to reserve title to the person making delivery until payment or resale or uses such words as "on consignment" or "on memorandum." However, this subdivision is not applicable if the person making delivery does any of the following:

(b) Establishes that the person conducting the business is generally known by his or her creditors to be substantially engaged in selling the goods of others.

(c) Complies with the filing provisions of the division on secured transactions (Division 9).

(d) Delivers goods which the person making delivery used or bought for use for personal, family, or household purposes.

(4) Any "or return" term of a contract for sale is to be treated as a separate contract for sale within the statute of frauds section of this division (Section 2201) and as contradicting the sale aspect of the contract within the provisions of this division on parol or extrinsic evidence (Section 2202).

(5) If a person delivers or consigns for sale goods which the person used or bought for use for personal, family, or household purposes, these goods do not become the property of the deliveree or consignee unless the deliveree or consignee purchases and fully pays for the goods. Nothing in this subdivision shall prevent the deliveree or consignee from acting as the deliverer's agent to transfer title to these goods to a buyer who pays the full purchase price. Any payment received by the deliveree or consignee from a buyer of these goods, less any amount which the deliverer expressly agreed could be deducted from the payment for commissions, fees, or expenses, is the property of the deliverer and shall not be subject to the claims of the deliveree's or consignee's creditors.

CHAPTER 202

An act to amend Section 12541 of the Health and Safety Code, relating to fireworks, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 19, 1984. Filed with Secretary of State June 19, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 12541 of the Health and Safety Code is amended to read:

12541. Nothing in this part authorizes the sale, use, or discharge of fireworks in any city, county, or city and county in which the sale,

use, or discharge is otherwise prohibited or regulated by law or ordinance.

SEC. 2. If this bill and Senate Bill 2334 are both chaptered and become effective on or before January 1, 1985, Section 12541.1 of the Health and Safety Code, as added by Senate Bill 2334 shall prevail over Section 12541 of the Health and Safety Code, as amended by this bill, to the extent of any substantive conflict between the provisions of these sections, irregardless of the ordering of chaptering of the bills.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The use and discharge of fireworks permitted under state law present a fire hazard in many areas in California and local regulation of fireworks which is more restrictive than state law is necessary as a fire prevention measure in these areas of the state. Therefore, in order that this act may take effect prior to July 4, 1984, it is necessary for this act to take effect immediately.

CHAPTER 203

An act to amend Sections 8664.5, 8664.6, 8680.5, 8687, and 8693 of, and to add Sections 8609 and 8664.9 to, and to add and repeal Sections 8610 and 8664.8 of, the Fish and Game Code, relating to fish and game, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 8609 is added to the Fish and Game Code, to read:

8609. (a) The Legislature finds and declares that:

(1) The central California nearshore gill and trammel net fisheries for California halibut (Paralichthys californicus) and white croaker (Genyonemus lineatus) and the use of gill nets in these fisheries are expanding at a rapid rate.

(2) The incidental take of certain species of seabirds and marine mammals in set gill and trammel nets could be increasing to a level which may be adversely impacting the viability of such populations of nontarget species.

(b) The department shall conduct a study of:

(1) The effects on local populations of seabirds and marine mammals of the use of gill and trammel nets in the central California halibut, rockfish, and white croaker fishery.

(2) The effects of monofilament gill nets in comparison with nets constructed from other materials and make recommendations with respect to the continued use of monofilament gill nets or modifications of those nets.

(3) The extent, if any, of the incidental take of salmon or striped bass in gill and trammel nets in Districts 10 and 17.

(4) The feasibility of a monitoring program to allow the department to provide a prompt response to the migration of seabird and marine mammal populations by closing and opening areas to gill and trammel net fishing to allow the maximum protection possible to large seabird and marine mammal populations and to allow the greatest area possible for the use of gill and trammel nets, and the department recommendations as to personnel and budget requirements of such a monitoring program.

(5) The total number of gill and trammel net fishermen operating in Districts 10 and 17 involved in the take of halibut, rockfish, and croaker, together with its recommendations for the optimum number of permits that should be allowed and whether, and in what form the number of permits should be limited, including provisions for new entrants.

(c) The department shall report its findings to the Legislature on or before January 1, 1987, except for the report on permits which shall be made on or before June 1, 1985.

(d) The provisions of this section are intended as interim measures until the report by the department to the Legislature is made and are specific to the set gill and trammel net fisheries of Districts 10 and 17 only.

SEC. 2. Section 8610 is added to the Fish and Game Code, to read:

8610. (a) Notwithstanding Sections 8687, 8696, and 8724, the use of set gill or trammel nets in Districts 10 and 17 and that portion of District 18 north of a line extending due west magnetic from Pfeiffer Point shall be limited to those individuals issued a nontransferable special permit for the use of gill or trammel nets in this area. The special permits shall be issued by the department, upon application, to any person who meets the qualifications of paragraphs (1) and (2) and either paragraph (3) or (4), as follows:

(1) The person is designated as an owner or operator of a vessel based on vessel registration information furnished to the department pursuant to subdivision (d) of Section 7884.

(2) The person possesses a general gill net permit issued pursuant to Section 8681 which is not revoked or canceled.

(3) The person has made 10 or more deliveries of halibut, croaker, or rockfish, or any combination thereof, in either 1982, 1983, or before March 27, 1984, in 1984, which were taken with set gill or trammel nets in Districts 10 and 17 during the period between January 1, 1982, and March 27, 1984. Proof of the taking under this paragraph may be made by receipts, which are verified by records maintained by the department and which were issued pursuant to Section 8014 during that time period which show the blocks in that area where the fish

were taken, by receipts issued pursuant to Section 8014 during that time period in any part or parts within that area, or by entries in the logbook maintained under Section 8681.

(4) The person made an investment of not less than two thousand five hundred dollars ($2,500) in either a net of not less than 2¾ inch mesh, or a reel used for recovery of such a net, after April 1, 1983, and before May 21, 1984, for use in the halibut, rockfish, or croaker fisheries in District 10 or 17. The investment in net or reel shall be substantiated by receipts or invoices for that equipment and by matching canceled bank checks or drafts. The person shall also demonstrate familiarity with the area by having made a delivery of fish other than halibut, rockfish, or croaker in 1983 or before May 21, 1984, in 1984, which were taken and landed in District 10 or 17.

(b) A permit issued pursuant to this section shall be valid from April 1, 1984 to March 30, 1985. The department may establish a fee for the special permit, which does not exceed the reasonable costs of administering this section.

(c) This section shall become inoperative on April 1, 1985, and, as of January 1, 1986, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1986, deletes or extends the date on which it is repealed.

SEC. 3. Section 8664.5 of the Fish and Game Code is amended to read:

8664.5. (a) Notwithstanding Sections 8693 and 8724, gill nets and trammel nets shall not be used in those portions of District 17 between a line extending due south magnetic from Point Santa Cruz and the United States surveyor's monument near Seaside in waters 15 fathoms or less in depth at mean lower low water, and in waters 25 fathoms or less in depth at mean lower low water between a line extending 225° magnetic from Franklin Point in San Mateo County and a line extending 220° magnetic from the mouth of Waddel Creek in Santa Cruz County.

(b) If the director determines that any local population of any species of seabird, marine mammal, or fish is in danger of irreparable injury, or that mortality in any local population of any species of seabird, marine mammal, or fish is occurring at a rate that threatens the viability of the local population, as a direct result of the use of gill nets or trammel nets, the director may issue an order prohibiting or restricting the use, method of use, size, or materials used in the construction of either or both types of those nets in all or any part of District 17 for a specified period. The order shall take effect 48 hours after its issuance. The director shall hold a properly noticed public hearing in a place convenient to the affected area in less than one week of the closure to describe the action taken and shall take testimony as to the impact of the closure and determine whether any modification of the order is necessary. The director shall rescind any order issued pursuant to this subdivision whenever he or she determines that the order is no longer necessary.

SEC. 4. Section 8664.6 of the Fish and Game Code is amended to

read:

8664.6. If, after a public hearing in a place convenient to the affected area, the director determines that any local population of any species of seabird, marine mammal, or fish is in danger of irreparable injury or that mortality in any local population of any species of seabird, marine mammal, or fish is occurring at a rate that threatens the viability of the local population, as a direct result of the use of gill nets or trammel nets, the director may issue an order prohibiting or restricting the use, method of use, size, or materials used in the construction of either, or both, types of those nets in all or any part of District 10 or in all or any part of District 18 north of Point Conception for a specified period. The order shall take effect 48 hours after its issuance. The director shall rescind any order issued pursuant to this section whenever he or she determines, after a public hearing, that the order is no longer necessary.

SEC. 5. Section 8664.8 is added to the Fish and Game Code, to read:

8664.8. (a) Notwithstanding Sections 8687, 8696, and 8724, gill or trammel nets shall not be used, except as permitted in Section 8664.9, from May 1 through September 30 in the following ocean waters:

(1) In waters which are 25 fathoms or less in depth at mean lower low water along the south facing shoreline of the Point Reyes headlands between a line extending 270° magnetic from the west point and 105° magnetic from the east point of the Point Reyes headlands in Marin County.

(2) In waters 10 fathoms or less in depth at mean lower low water between a line extending 105° magnetic from the eastern point of the Point Reyes headlands in Marin County and a line extending 210° magnetic from a point on the mainland shore 3¾ of a mile northwest of the north projection of Double Point in Marin County, excluding the waters of Drakes Estero and Estero de Limantour.

(3) In waters 15 fathoms or less in depth at mean lower low water between a line extending 210° magnetic from a point on the mainland shore 3¾ of a mile northwest of the north projection of Double Point in Marin County and a line extending 210° magnetic from a point on the mainland shore one mile south of the south projection of Double Point in Marin County.

(4) In waters 20 fathoms or less in depth at mean lower low water between a line extending 250° magnetic from Mussel Rocks in San Mateo County and a line extending 270° magnetic from Point Montara in San Mateo County.

(5) In waters 10 fathoms or less in depth at mean lower low water between a line extending 270° magnetic from Point Montara in San Mateo County and a line extending 270° magnetic from Miramontes Point in San Mateo County.

(6) In waters 10 fathoms or less in depth at mean lower low water between a line extending 270° magnetic from the mouth of Tunitas Creek in San Mateo County and a line extending 270° magnetic from Pescadero Point in San Mateo County.

(b) Notwithstanding Sections 8687, 8696, and 8724, gill and trammel nets with meshes less than 8 inches in length shall not be used, except as permitted in Section 8664.9, in the following portions of District 10:

(1) In waters within 1½ miles of the mainland shore between a line extending 160° magnetic from Duxbury Point in Marin County through the Duxbury whistle buoy and a line extending 222° magnetic from Point Bonita in Marin County through the Point Bonita bell buoy.

(2) In waters within one mile of the mainland shore between a line, which extends 315° magnetic from the north shore of Point Lobos in San Francisco County, to Mile Rock Light in San Francisco County and then 225° magnetic from Mile Rock Light, and a line extending 250° magnetic from Mussel Rocks in San Mateo County.

(c) Notwithstanding Sections 8687, 8696, and 8724, gill and trammel nets with meshes 8 inches or greater in length shall not be used from May 1 through September 30 in waters within 1½ miles of the mainland shore between a line extending 160° magnetic from Duxbury Point in Marin County and a line extending 250° magnetic from Tennessee Point in Marin County, but excluding that portion of Bolinas Bay north of a line extending from Rocky Point in Marin County to Duxbury Point in Marin County.

(d) Notwithstanding Sections 8687, 8696, and 8724, gill or trammel nets with meshes 8 inches or less shall not be used in waters 40 fathoms or less in depth at mean lower low water or within 2 nautical miles, whichever is nearer to the mean lower low water line, and nets with meshes greater than 8 inches shall not be used in waters 25 fathoms or less in depth at mean lower low water around the North, Middle, and South Farallon Islands, and Noonday Rock buoy in San Francisco County.

(e) Notwithstanding Sections 8687, 8696, and 8724, gill or trammel nets with meshes less than 8 inches in length shall not be used from May 1 through August 15 within three nautical miles of the North, Middle, and South Farallon Islands, and within three nautical miles of the Noonday Rock buoy in San Francisco County.

(f) In District 10 between Point Reyes in Marin County and Pigeon Point in San Mateo County, in waters 40 fathoms or less in depth at mean lower low water, no permittee operating under authority of a gill or trammel net permit issued under regulations adopted pursuant to Section 8682 shall fish, in combination in any day, more than 600 fathoms of set gill or trammel nets with meshes ranging in size from 8 inches to 10 inches in length, and 1,000 fathoms of set gill or trammel nets with meshes less than 8 inches in length, except that, in that portion of Bolinas Bay north of a line extending from Rocky Point to Duxbury Reef, no gill or trammel net permittee may use more than 200 fathoms of gill or trammel net with meshes 8 inches or greater in length per boat per day.

(g) Gill and trammel nets used to take fish in District 10 shall be marked at each end with a buoy displaying above its waterline in

Arabic numerals at least 2 inches high, the certificate of vessel registration number issued by the department under Section 7881 for the vessel from which the net is being used. Nets shall be marked at both ends and at least every 250 fathoms between the ends with flags of the same color and at least 144 square inches in size, acceptable to the department.

(h) This section shall remain in effect only until January 1, 1988, and as of that date is repealed unless a later enacted statute which is chaptered before January 1, 1988, deletes or extends that date.

SEC. 6. Section 8664.9 is added to the Fish and Game Code, to read:

8664.9. The department may issue a permit for the experimental use of gill or trammel nets, to no more than five individuals upon application, as selected by the department, for the purpose of studying the impact of the nets on the marine resources. The permittee may use gill or trammel nets under a permit issued under this section in those areas where that use is otherwise prohibited pursuant to Section 8664.8. The nets used under this section shall not exceed a length of more than 250 fathoms and shall be of such design as the department may specify.

SEC. 7. Section 8680.5 of the Fish and Game Code is amended to read:

8680.5. (a) If the department determines that a fishery resource is being adversely impacted by the use of gill nets, the department shall initiate and conduct a study to evaluate the impact on an area-by-area or species-by-species basis, and shall determine if regulatory action is necessary to provide resource protection.

(b) If the director determines, after a public hearing, that regulatory action is necessary, he or she may restrict wholly or in part or regulate the use or construction of gill nets to protect the impacted resources. The department shall submit to the Legislature not later than April 1 of each year, a written report describing any studies or regulatory actions taken pursuant to this section.

(c) Any regulation adopted pursuant to this section shall include provisions permitting prompt closure by the director under Section 7710 of any fishery to which the regulation applies whenever the closure is deemed necessary to protect the resource. The regulation shall also provide for a method of appeal of the director's closure order.

(d) Regulations to be adopted under this section shall first be submitted to the Chairman of the Joint Committee on Fisheries and Aquaculture of the Legislature 30 days prior to the regulations becoming effective. The chairman may determine a shorter time for this prior notification requirement in each case.

This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1988, deletes or extends that date.

SEC. 8. Section 8687 of the Fish and Game Code is amended to read:

8687. Except as otherwise provided in this code, drift gill nets may be used in Districts 6, 7, 8, 9, and 10.

SEC. 9. Section 8693 of the Fish and Game Code, as amended by Section 12 of Chapter 890 of the Statutes of 1980, is amended to read:

8693. Except as otherwise provided in this code, drift gill nets and set gill nets may be used in Districts 17, 18, 19, and 20A, except for the taking of salmon.

Rockfish and lingcod may be taken with drift gill nets and set gill nets in Districts 17, 18, 19, and 20A, subject to the following restrictions:

(a) Rockfish and lingcod shall not be taken between a line running 240° magnetic from the south steamplant stack at Moss Landing and a line running 320° magnetic from the lighthouse at Point Pinos in water less than 60 fathoms.

(b) Rockfish and lingcod shall not be taken between a line running 320° magnetic from the lighthouse at Point Pinos and a line running 250° magnetic from Hurricane Point in waters less than 50 fathoms.

(c) Rockfish and lingcod shall not be taken between a line running 250° magnetic from Hurricane Point and a line running 180° magnetic from Pfeiffer Point in water less than 45 fathoms.

(d) Rockfish and lingcod shall not be taken between a line running due west magnetic from the lighthouse at Point Piedras Blancas and a line running due west magnetic from Point Sal in water less than 40 fathoms.

(e) Rockfish and lingcod shall not be taken between a line running 250° magnetic from the Pigeon Point Lighthouse and a line running 240° magnetic from the south steamplant stack at Moss Landing, inside 40 fathoms, by means of drift gill nets or set gill nets which have mesh smaller than 5½ inches.

(f) Drift gill nets and set gill nets shall not be used nor shall they be possessed on any boat fishing for rockfish and lingcod with mesh smaller than 4⅛ inches when used in Districts 17 and 18 north of Point Buchon, or with mesh smaller than 4⅛ inches when used in Districts 18 south of Point Buchon or in District 19. Drift gill nets and set gill nets used or possessed on any boat fishing for rockfish and lingcod in Districts 17, 18, or 19, shall not be constructed of twine larger than number 6 nylon, except that the bottom 15 meshes may be constructed of heavier twine.

(g) In Districts 18 south of Point Sal and in District 19, drift gill nets and set gill nets shall not be used to take rockfish and lingcod with the mesh of the net in waters less than 50 fathoms in depth when within the first 100 fathom curve along the mainland shore, and elsewhere in waters less than 70 fathoms in depth.

(h) Loads or lots of fish taken in the areas described under subdivisions (a) to (g), inclusive, may contain 200 pounds or less of rockfish and lingcod in combination, but in no instance more than 100 pounds of rockfish.

(i) Gill nets shall not be used to take rockfish in District 20A.

This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1988, deletes or extends that date.

SEC. 10. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 12. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that marine mammals, fisheries, and seabirds are protected during the 1984 fishing season, it is necessary that this act take effect immediately.

CHAPTER 204

An act to add Section 6712 to the Government Code, relating to California American Indian Day.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 6712 is added to the Government Code, to read:

6712. The Governor shall proclaim annually the fourth Friday in September, to be "California American Indian Day."

CHAPTER 205

An act to amend Section 752 of the Welfare and Institutions Code, relating to juvenile court law.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 752 of the Welfare and Institutions Code is amended to read:

752. Whenever a case is transferred as provided in Section 750, a

certified copy of the file may be made and forwarded to the county where the person resides and shall include the name and address of the legal residence of the parent or guardian of the minor. A certified copy shall be deemed to be the same as the original. The original court file may be kept in the files of the transferring county.

CHAPTER 206

An act to amend Section 18212.2 of the Financial Code, relating to industrial loan companies.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 18212.2 of the Financial Code is amended to read:

18212.2. In addition to the charges authorized by Section 18212 or 18212.1 an industrial loan company may contract for and receive an administrative fee, which shall be fully earned immediately upon making the loan, with respect to a loan of a principal amount of not more than two thousand five hundred dollars ($2,500) at a rate not in excess of 5 percent of the principal amount or fifty dollars ($50), whichever is lesser. No administrative fee may be contracted for or received in connection with refinancing a loan unless at least one year has elapsed since receipt of a previous administrative fee paid by the borrower.

CHAPTER 207

An act to add Section 208.5 to the Welfare and Institutions Code, relating to juvenile court law.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 208.5 is added to the Welfare and Institutions Code, to read:

208.5. Notwithstanding any other provision of law, in any case in which a minor who is detained in or committed to a county institution established for the purpose of housing juveniles attains the age of 18 during the period of detention or confinement he or she may be allowed to come or remain in contact with those juveniles until the age of 19.

CHAPTER 208

An act to amend Section 65588 of the Government Code, relating to local planning, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 65588 of the Government Code is amended to read:

65588. (a) Each local government shall review its housing element as frequently as appropriate to evaluate all of the following:

(1) The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal.

(2) The effectiveness of the housing element in attainment of the community's housing goals and objectives.

(3) The progress of the city, county, or city and county in implementation of the housing element.

(b) The housing element shall be revised as appropriate, but not less than every five years, to reflect the results of this periodic review.

In order to facilitate effective review by the department of housing elements, local governments following shall prepare and adopt the first two revisions of their housing elements no later than the dates specified in the following schedule, notwithstanding the date of adoption of the housing elements in existence on the effective date of the act which amended this section during the 1983-84 session of the Legislature.

(1) Local governments within the regional jurisdiction of the Southern California Association of Governments: July 1, 1984, for the first revision and July 1, 1989, for the second revision.

(2) Local governments within the regional jurisdiction of the Association of Bay Area Governments: January 1, 1985, for the first revision, and July 1, 1990, for the second revision.

(3) Local governments within the regional jurisdiction of the San Diego Association of Governments, the Council of Fresno County Governments, the Kern County Council of Governments, the Sacramento Council of Governments, and the Association of Monterey Bay Area Governments: July 1, 1985, for the first revision, and July 1, 1991, for the second revision.

(4) All other local governments: January 1, 1986, for the first revision, and July 1, 1992, for the second revision.

(5) Subsequent revisions shall be completed not less often than at five-year intervals following the second revision.

(c) The review and revision of housing elements required by this section shall take into account any low- or moderate-income housing which has been provided or required pursuant to Section 65590.

(d) The review pursuant to subdivision (c) shall include, but need not be limited to, the following:

(1) The number of new housing units approved for construction within the coastal zone after January 1, 1982.

(2) The number of housing units for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, required to be provided in new housing developments either within the coastal zone or within three miles of the coastal zone pursuant to Section 65590.

(3) The number of existing residential dwelling units occupied by persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, that have been authorized to be demolished or converted since January 1, 1982, in the coastal zone.

(4) The number of residential dwelling units for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, that have been required for replacement or authorized to be converted or demolished as identified in paragraph (3). The location of the replacement units, either onsite, elsewhere within the locality's jurisdiction within the coastal zone, or within three miles of the coastal zone within the locality's jurisdiction, shall be designated in the review.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The Department of Housing and Community Development does not have the staff capability to review at one time all of the revisions of housing elements by local governments which are currently required to be submitted to the department for its review by July 1, 1984. Staggering the dates those elements are required to be revised will allow the department to conduct a more thorough review of those elements in order to ensure that local governments are in compliance with state law.

CHAPTER 209

An act to amend Sections 14002, 14603, 14703, 14801, 14807, 14854.5, 14860, 14950, 14951, 14953, 15101, 33052, 33100, and 33101 of, to add Section 14822 to, and to repeal Section 14810 of, the Financial Code, relating to credit unions.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 14002 of the Financial Code is amended to read:

14002. A credit union is a cooperative, organized for the purposes of promoting thrift and savings among its members, creating a source of credit for them at rates of interest set by the board of directors, and providing an opportunity for them to use and control their own money on a democratic basis in order to improve their economic and social conditions. As a cooperative, a credit union conducts its business for the mutual benefit and general welfare of its members with the earnings, savings, benefits, or services of the credit union being distributed to its members as patrons.

SEC. 2. Section 14603 of the Financial Code is amended to read:

14603. The credit committee, the credit manager, or a loan officer may approve in advance, upon their own motion or upon the application of any member, the extension of credit to any member and loans may be granted to such member within the limit of such extension of credit authorized by the board of directors pursuant to Section 15100. Where an extension of credit has been approved, applications for any extension of credit need not be approved by the credit committee, the credit manager, or loan officer as long as the aggregate amount of such obligations does not exceed the limit of such extension of credit authorized by the board of directors pursuant to Section 15100. The credit committee, the credit manager, or loan officer shall review, from time to time, all extensions of credit approved by them and any extension of credit approved for any member shall expire if such member becomes ineligible for a loan or becomes more than 90 days delinquent in his obligations to the credit union.

SEC. 3. Section 14703 of the Financial Code is amended to read:

14703. (a) A credit union shall establish an allowance for losses account based upon the credit union's previous loss experience, or based upon its foreseeable losses for any obligation offered to a credit union member by a credit union. The allowance for losses account shall initially be established by charging the regular reserve account, and thereafter, any increases or decreases in the balance will be charged or credited to an allowance for losses expense account.

(b) At the close of an accounting period, an adjustment will be made in an amount equal to the balance in the allowance for losses expense account. If the balance is a debit, regular reserves will be charged, and undivided profits will be credited, and, if the balance is a credit, undivided profits will be charged and regular reserves will be credited.

(c) For the purpose of calculating required transfers of income to regular reserves pursuant to Section 14700, any balances in the allowance for losses account may be included with the balance in the regular reserve account.

SEC. 4. Section 14801 of the Financial Code is amended to read:

14801. Every credit union may expel members as provided in Section 14456 of this division and Section 7341 of the Corporations Code.

SEC. 5. Section 14807 of the Financial Code is amended to read:

14807. Any member may withdraw from membership in the credit union at any time. A withdrawing member shall give 60 days' notice of intention to withdraw shares and 30 days' notice of intention to withdraw certificates for funds unless a different period of notice is required by the commissioner for the withdrawal of shares or share certificates that may be established by the board of directors pursuant to Section 14862.

SEC. 6. Section 14810 of the Financial Code is repealed.

SEC. 7. Section 14822 is added to the Financial Code, to read:

14822. Notwithstanding any other provision to the contrary, no member shall vote by proxy on any matter submitted by mail to all members of a credit union in a written ballot pursuant to Chapter 5 (commencing with Section 7510) of Part 3 of Division 2 of Title 1 of the Corporations Code, and the powers of any previously issued or outstanding valid, revocable proxy are suspended when any matter is submitted by mail to all members in a written ballot pursuant to Chapter 5 (commencing with Section 7510) of Part 3 of Division 2 of Title 1 of the Corporations Code.

SEC. 8. Section 14854.5 of the Financial Code is amended to read:

14854.5. (a) As used in this section, "pay-on-death provision" means:

(1) A provision or term of a credit union share or certificate for funds which is in the name of one person, which provides that upon the death of that person the account shall become the property of one or more designated payees.

(2) A provision or term of a credit union share or certificate for funds which is in the name of two or more persons, which provides that upon the death of all of such persons the account shall become the property of one or more designated payees as provided in the California Multiple Party Accounts Law, Part 1 (commencing with Section 5100) of Division 5 of the Probate Code.

(b) Any transfer of property to the designated payee or payees pursuant to the terms of a pay-on-death provision shall be given effect under the terms of the share or certificate and shall not be deemed to be a testamentary disposition of property. The right of the designated payee or payees to receive such property shall not be denied, abridged, or affected on the grounds that the right has not been created by a writing executed in accordance with the laws of this state prescribing the requirements to effect a valid testamentary disposition of property.

(c) The credit union shall make payment in accordance with the pay-on-death provision, and such payment shall discharge the credit union from liability with respect to the moneys so paid; unless prior to the payment the credit union has been served with a court order restraining the payment.

SEC. 9. Section 14860 of the Financial Code is amended to read:

14860. Except as provided in subdivision (a) and (b), no credit union shall exercise trust powers except upon qualifying as a trust company pursuant to Division 1 (commencing with Section 99).

(a) Notwithstanding any other provisions of law relating to trusts and trust authority, subject to the regulations of the commissioner, a credit union may act as a trustee or custodian, and may receive reasonable compensation for so acting, under any written trust instrument or custodial agreement created or organized in the United States which is a part of a pension plan for its members or groups or organizations of its members, which qualifies or has qualified for specific tax treatment under subsection (d) of Section 401 or Section 408 of the Internal Revenue Code, Title 26 of the United States Code, provided the funds received pursuant to these plans are invested in share accounts or share certificate accounts of the credit union. All funds held by a credit union trustee or in a custodial capacity shall be maintained in accordance with applicable laws and rules and regulations as may be promulgated by the Secretary of Labor, the Secretary of the Treasury, or any other authority exercising jurisdiction over such trust or custodial accounts. The credit union shall maintain individual records for each participant or beneficiary which show in detail all transactions relating to the funds of each participant or beneficiary.

The trust instrument or agreement shall provide for the appointment of a successor trustee or custodian by a person, committee, corporation, or organization other than the credit union or any person acting in his or her capacity as a director, employee, or agent of the credit union, upon notice from the credit union or the commissioner that the credit union is unwilling or unable to continue to act as trustee or custodian.

(b) Shares may be issued in a revocable or irrevocable trust subject to the following:

(1) When shares are issued in a revocable trust, the settlor must be a member of the credit union issuing the shares in his or her own right, and the name and address of the beneficiary must be stated.

(2) When shares are issued in an irrevocable trust, the settlor or the beneficiary must be a member of this credit union in his or her own right, and the name and address of the beneficiary must be stated. For purposes of this section, shares issued pursuant to a pension plan authorized by this section shall be treated as an irrevocable trust unless otherwise indicated in rules and regulations issued by the commissioner.

(3) This subdivision shall not apply to trust accounts established prior to the effective date of this subdivision. Trusts may be established pursuant to this section, provided such trusts, their terms and conditions are in accordance with the California Multiple Party Accounts Law or such other regulations as are issued by the commissioner.

SEC. 10. Section 14950 of the Financial Code is amended to read:

14950. (a) Every credit union may enter into obligations with its members upon the approval of the credit committee or, in the alternative, the credit manager, subject to the terms and conditions established by the board of directors pursuant to Section 15100.

(b) With the specific approval of the board of directors, a credit union may accept notes receivable from nonmembers as consideration for the sale of assets owned by the credit union through bona fide transactions. Transactions subject to this subdivision shall not be deemed to be loans to nonmembers subject to the provisions of Section 14750.

SEC. 11. Section 14951 of the Financial Code is amended to read:

14951. Applications for any extension or guarantee of credit shall be in writing and shall state the purpose for which the extension of credit is desired and the security offered, except obligations created pursuant to an unsecured extension of credit in accordance with policies established by the board of directors pursuant to Section 15100.

SEC. 12. Section 14953 of the Financial Code is amended to read:

14953. (a) Any extension of credit in excess of the unsecured loan limit set by the board of directors pursuant to Section 15100 shall be secured either (1) by real or personal property to the extent that the extension of credit exceeds such limit, or (2) in the manner provided in Section 14955.

(b) If the security offered is an endorsed note as provided in subdivision (a) of Section 14955, a signed and dated financial statement shall be taken from each person who endorses the note and the sufficiency of the financial responsibility of every such endorser shall be verified by a majority of the credit committee. Obligations secured by the signatures of a borrower and endorser or endorsers shall not exceed the amount that may be extended to the borrower without security pursuant to Section 15100, plus an equivalent amount for each endorser; plus the amount of shares or certificates for funds pledged to secure the obligation.

SEC. 13. Section 15101 of the Financial Code is amended to read:

15101. Notwithstanding the provisions of Section 15100, if a loan is made for educational purposes and such loan would cause the aggregate of loans to an individual or to any one family to exceed the limitations imposed by subdivision (b) or (c) of Section 15100, such educational loan shall not be included in computing the aggregate of loans pursuant to Section 15100, provided (1) that such educational loan is secured in accordance with subdivision (b) or (c) of Section 14955, and (2) that the aggregate amount of such educational loan exempted by this subdivision from subdivision (c) of Section 15100 shall not exceed ten thousand dollars ($10,000).

SEC. 14. Section 33052 of the Financial Code is amended to read:

33052. "Insured credit union" means any credit union the member accounts of which are insured or guaranteed as provided in Section 14858 of the Financial Code.

SEC. 15. Section 33100 of the Financial Code is amended to read:

33100. The following persons and transactions are exempted from this division:

(a) (1) Any insured bank, when selling any payment instrument issued by it.

(2) Any bank organized under the laws of a nation other than the United States which is licensed under Article 3 (commencing with Section 1750) of Chapter 13.5 of Division 1 or which is authorized under federal law to maintain a federal agency or federal branch in this state, when selling any foreign currency payment instrument which is issued by such bank and which is not designated on its face by the term "money order" or "travelers check" or by any substantially similar term.

(3) Any insured savings and loan association, when selling any payment instrument issued by it.

(4) Any federal or state-licensed credit union, when selling any payment instrument issued by it.

(5) Any person licensed under Chapter 14 (commencing with Section 1800) of Division 1, when selling any foreign currency payment instrument which is issued by it and which is not designated on its face by the term "money order" or "travelers check" or by any substantially similar term.

(6) Any person licensed as a check seller under Division 3 (commencing with Section 12000), when selling any payment instrument issued by it.

(7) The United States or any agency of the United States, including the United States Postal Service, any Federal Reserve bank, and any federal home loan bank, when selling any payment instrument issued by it.

(b) Any California agent of any person referred to in subdivision (a) when selling any payment instrument which is issued by such person and which such person is permitted to sell under the paragraph of subdivision (a) applicable to such person.

SEC. 16. Section 33101 of the Financial Code is amended to read:

33101. Any national banking association, federal savings and loan association, or federal or state-licensed credit union is exempted from all the provisions of this division, except the following provisions:

(a) The provisions of Section 34114.

(b) The provisions of Section 34115.

(c) The provisions of Section 34101; provided, however, that the provisions of Section 34101 shall apply only in the case of a failure to honor any liability imposed under the provisions of Sections 34114 and 34115; provided, further, that the provisions of Section 34101 relating to the appointment of a receiver or conservator shall not apply in any case.

CHAPTER 210

An act to amend Section 26708.5 of the Vehicle Code, relating to vehicles.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 26708.5 of the Vehicle Code is amended to read:

26708.5. (a) No person shall place, install, affix, or apply any transparent material upon the windshield, or side or rear windows, of any motor vehicle if the material alters the color or reduces the light transmittance of the windshield or side or rear windows, except as provided in subdivision (b) or (c) of Section 26708.

(b) Tinted safety glass may be installed in a vehicle if (1) the glass complies with motor vehicle safety standards of the United States Department of Transportation for safety glazing materials, and (2) the glass is installed in a location permitted by those standards for the particular type of glass used.

CHAPTER 211

An act to amend Sections 830.31 and 830.4 of the Penal Code, relating to peace officers.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 830.31 of the Penal Code is amended to read:

830.31. The following persons are peace officers whose authority extends to any place in the state for the purpose of performing their primary duty or when making an arrest pursuant to Section 836 as to any public offense with respect to which there is immediate danger to person or property, or of the escape of the perpetrator of such offense, or pursuant to Section 8597 or 8598 of the Government Code. Such peace officers may carry firearms only if authorized and under terms and conditions specified by their employing agency.

(a) Members of an arson-investigating unit, regularly employed and paid as such, of a fire protection agency of the state, of a county, city, or district, and members of a fire department or fire protection agency of the state, or a county, city, or district regularly paid and employed as such, if the primary duty of arson investigators is the

detection and apprehension of persons who have violated any fire law or committed insurance fraud, and the primary duty of fire department or fire protection agency members other than arson investigators when acting as peace officers shall be the enforcement of laws relating to fire prevention and fire suppression.

(b) Persons designated by a local agency as park rangers, and regularly employed and paid as such, if the primary duty of any such peace officer is the protection of park and other property of the agency and the preservation of the peace therein.

(c) Members of a community college police department appointed pursuant to Section 72330 of the Education Code, if the primary duty of any such peace officer is the enforcement of the law as prescribed in Section 72330 of the Education Code.

(d) A welfare fraud investigator or inspector, regularly employed and paid as such by a county, if the primary duty of any such peace officer is the enforcement of the provisions of the Welfare and Institutions Code.

(e) A child support investigator or inspector, regularly employed and paid as such by a district attorney's office, if the primary duty of any such peace officer is the enforcement of the provisions of the Welfare and Institutions Code and Section 270.

(f) The coroner and deputy coroners, regularly employed and paid as such, of a county, if the primary duty of any such peace officer are those duties set forth in Sections 27469 and 27491 to 27491.4, inclusive, of the Government Code.

(g) A member of the San Francisco Bay Area Rapid Transit District Police Department appointed pursuant to Section 28767.5 of the Public Utilities Code, if the primary duty of any such peace officer is the enforcement of the law in or about properties owned, operated, or administered by the district or when performing necessary duties with respect to patrons, employees, and properties of the district.

(h) Harbor or port police regularly employed and paid as such by a county, city, or district other than peace officers authorized under Section 830.1, and the port warden and special officers of the Harbor Department of the City of Los Angeles, if the primary duty of any such peace officer is the enforcement of the law in or about the properties owned, operated, or administered by the harbor or port or when performing necessary duties with respect to patrons, employees, and properties of the harbor or port.

(i) Persons designated as a security officer by a municipal utility district pursuant to Section 12820 of the Public Utilities Code, if the primary duty of any such officer is the protection of the properties of the utility district and the protection of the persons thereon.

(j) Persons designated as a security officer by a county water district pursuant to Section 30547 of the Water Code, if the primary duty of any such officer is the protection of the properties of the county water district and the protection of the persons thereon.

(k) The security director of the public utilities commission of a

city and county, if the primary duty of the security director is the protection of the properties of the commission and the protection of persons thereon.

SEC. 2. Section 830.4 of the Penal Code is amended to read:

830.4. The following persons are peace officers while engaged in the performance of their duties in or about the properties owned, operated, or administered by their employing agency, or when they are required by their employer to perform their duties anywhere within the political subdivision which employs them. These officers shall also have the authority of peace officers anywhere in the state as to an offense committed, or which there is probable cause to believe has been committed, with respect to persons or property the protection of which is the duty of the officer or when making an arrest pursuant to Section 836 of the Penal Code as to any public offense with respect to which there is an immediate danger to person or property or of the escape of the perpetrator of the offense. These peace officers may carry firearms only if authorized by, and under such terms and conditions as are specified by, their employing agency:

(a) Security officers of the California State Police Division.

(b) The Sergeant at Arms of each house of the Legislature.

(c) Bailiffs of the Supreme Court and of the courts of appeal.

(d) Guards and messengers of the Treasurer's office.

(e) Officers designated by the hospital administrator of a state hospital under the jurisdiction of the State Department of Mental Health or the State Department of Developmental Services pursuant to Section 4313 or 4493 of the Welfare and Institutions Code.

(f) Any railroad policeman commissioned by the Governor pursuant to Section 8226 of the Public Utilities Code.

(g) Persons employed as members of a police department of a school district pursuant to Section 39670 of the Education Code.

(h) Security officers of the County of Los Angeles.

(i) Housing authority patrol officers employed by the housing authority of a city, district, county, or city and county, or employed by the police department of a city and county.

(j) Transit police officers of a county, city, or district.

(k) Any person regularly employed as an airport law enforcement officer by a city, county, or district operating the airport or by a joint powers agency, created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, operating the airport.

(*l*) Court service officers in a county of the third class.

CHAPTER 212

An act to amend Sections 16105, 16106, 16120, 16122, 16123, 16126, 16132, 16133, 16136, 16142, 16144, and 16152 of, to add and repeal Section 16131.5 of, and to repeal and add Section 16131 of, the Financial Code, relating to credit unions, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 16105 of the Financial Code is amended to read:

16105. "Capital contribution" means the amount each participating credit union is required to maintain as an investment in the corporation pursuant to Section 16131.

SEC. 1.5. Section 16106 of the Financial Code is amended to read:

16106. "Account" means the total of all amounts credited to a participating credit union for paid-in capital contributions, and other credits, net of any charges to that participating credit union.

SEC. 2. Section 16120 of the Financial Code is amended to read:

16120. (a) The corporation shall have authority to suspend or revoke the right to participate in the corporation by any participating credit union for cause and to submit reports and make recommendations to the commissioner regarding the financial condition of any participating credit union. Such reports and recommendations shall not be public documents. There shall be no liability on the part of, and no cause of action of any nature shall arise against, the corporation or its participating credit unions, directors, officers, employees or agents, or the commissioner or his or her authorized representatives, for any statements made by them in any reports or recommendations made thereunder.

(b) In order to permit the corporation to fulfill its obligations under subdivision (a), upon the written request of the corporation, the commissioner may furnish to the corporation a copy of unaudited financial statements filed with the commissioner pursuant to Section 14252 or 14253, by a participating credit union or a credit union making application to participate in the corporation or of any examination reports of the commissioner which were prepared pursuant to Section 14250 or 14251, and a copy of the commissioner's analysis of such examinations or reports or any portion thereof. There shall be no liability on the part of, and no cause of action of any nature shall arise against, the State of California, the commissioner or members of his or her staff, or his or her authorized agents or representatives, for the release of any information furnished to the corporation pursuant to this subdivision. Such financial statements and analyses furnished to the corporation pursuant to this subdivision

are not public documents, and the information contained therein is privileged and confidential to the corporation for its sole use in carrying out its statutory functions.

(c) The corporation, in order to fulfill its obligations under subdivision (a), may appoint an independent certified public accountant or public accountant to prepare an audit report containing audited financial statements, together with such other information as the corporation, in good faith, requires regarding the financial conditions of any participating credit union or, upon notification to its participating credit union and after notice to the commissioner, the corporation may appoint an investigative committee or hire a specialized employee to investigate the operations of its participating credit union. Costs and expenses for such audit report or special investigation report shall be paid by the corporation.

(d) The corporation, any participating credit union, as an agent of the corporation or of its participating credit unions, or any person who uses information obtained under subdivision (b) or (c) for any purpose not authorized by subdivision (a) is guilty of a misdemeanor.

SEC. 3. Section 16122 of the Financial Code is amended to read:

16122. Income from investments shall be recorded in an income account and be used to defray expenses of administration. Income from investments that exceeds an amount determined by the board of directors to be adequate to provide for current expenses may be credited to participating credit unions' accounts.

SEC. 4. Section 16123 of the Financial Code is amended to read:

16123. Expenses of administration that exceed income from investments at year end shall be charged, first to undivided or retained earnings, and then to participating credit unions' accounts. Each participating credit union's account shall be charged ratably based on the account balance for the amount of the excess.

SEC. 5. Section 16126 of the Financial Code is amended to read:

16126. Any participating credit union or credit union making application to participate in the corporation aggrieved by any action or decision of the corporation may appeal to the commissioner within 30 days from the action or decision.

SEC. 6. Section 16131 of the Financial Code is repealed.

SEC. 7. Section 16131 is added to the Financial Code, to read:

16131. (a) The corporation shall establish and maintain a guarantee fund. The fund shall be maintained at a normal operating level as defined by the board of directors of the corporation. However, the normal operating level shall at all times be no less than 1 percent and no more than 2 percent of share capital of participating credit unions.

The fund of the corporation shall be comprised of:

(1) The account for each participating credit union.

(2) Retained and undivided earnings.

(b) Each participating credit union shall contribute to and maintain with the corporation capital contributions, to be credited

to its account, in an amount equal to at least 1 percent of its share capital or such other percentage of the participating credit union's share capital that is established as the normal operating level of the fund set by the board of directors pursuant to subdivision (a). Each participating credit union's account shall be adjusted annually to reflect changes in the participating credit union's share capital in accordance with procedures adopted by the board of directors of the corporation.

(c) After the close of each operating period, retained or undivided earnings of the corporation, or a portion thereof, may be credited to the account of each participating credit union in the proportion as determined equitable by the board of directors.

(d) Whenever the fund exceeds 2 percent of the share capital of participating credit unions at the close of a fiscal year, the board of directors shall make a distribution of the excess to participating credit unions. The distribution shall be made to each participating credit union in such proportion as determined equitable by the board of directors.

(e) The amount of the account of each participating credit union shall be carried on the books of the individual participant as an investment in the corporation.

(f) Notwithstanding any other provision of this section, the corporation shall withhold any credit to a participating credit union when it is in the process of liquidation or withdrawal from the corporation and, further, it shall require participating credit unions to make capital contributions to maintain the normal operating level set by subdivision (a) during any calendar year in which the fund has been reduced below the minimum operating level as a result of payment of any deficiencies in credit union share accounts, as provided in Sections 16113, 16142, 16143, and 16144.

SEC. 8. Section 16131.5 is added to the Financial Code, to read:

16131.5. Immediately upon the effective date of this act, the board of directors of the corporation shall credit to the account of each participating credit union an amount equal to the aggregate of assessments paid to the corporation by each participant.

This secton shall remain in effect only until July 30, 1984, and as of that date is repealed, unless a later enacted statute, which is enacted before July 30, 1984, deletes or extends that date.

SEC. 9. Section 16132 of the Financial Code is amended to read:

16132. The corporation shall send a written notice of capital contributions required of participating credit unions pursuant to Section 16131 to each participating credit union within 10 days after the levy of any capital contribution. Capital contributions shall be paid to the corporation by each participating credit union not later than 30 days following written notice of any required capital contribution.

SEC. 9.5. Section 16133 of the Financial Code is amended to read:

16133. A report of each capital contribution that may be required pursuant to Section 16131, shall be made to the commissioner within

10 days after the written notice to participating credit unions pursuant to Section 16132.

SEC. 10. Section 16136 of the Financial Code is amended to read:

16136. Any participating credit union which is voluntarily liquidated under this division, or any participating credit union which withdraws from participation in the corporation and obtains a different form of share guaranty or insurance pursuant to Section 14858, or any participating credit union which merges with another credit union whose shares are guaranteed or insured by a different form of guaranty or insurance pursuant to Section 14858, and such other credit union becomes the surviving credit union, may be reimbursed for the amount remaining in its account.

SEC. 11. Section 16142 of the Financial Code is amended to read:

16142. When the property and business of a participating credit union has been liquidated or is in the process of liquidation and the proceeds of liquidation distributed ratably are insufficient to pay the full guaranteed amount of each share account as specified in Section 16113, the commissioner shall direct the corporation to pay and the corporation shall pay each such deficiency at the direction of, and in amounts directed by, the commissioner within 120 days from the date the commissioner makes demand for payments. If the total funds available from the corporation at such time are insufficient to pay in full the amounts provided by Section 16113, the amounts paid to each credit union member shall be ratably reduced in proportion to the amount by which the fund is deficient, and thereafter further payments shall be made ratably to such members in accordance with the directions of the commissioner as additional funds subject to the provisions of Section 16144 are paid into the fund. When such guaranteed amounts are paid, and after charging the amount thereof to undivided or retained earnings, each participating credit union's account shall be reduced ratably based on the account balance for the total amount paid.

SEC. 11.5. Section 16144 of the Financial Code is amended to read:

16144. The commissioner shall not direct the corporation in any one calendar year to pay any credit union share accounts for deficiencies that exceed in the aggregate the total in the fund at the time the commissioner first directs the corporation to pay deficiencies in accordance with Sections 16113, 16142, and 16143.

SEC. 12. Section 16152 of the Financial Code is amended to read:

16152. Whenever it appears to the commissioner that the corporation has done any of the following, the commissioner may forthwith take possession of the property and business of the corporation and retain possession until the corporation satisfies the commissioner that it will operate in conformity with this chapter:

(a) Violated its articles of incorporation or any law of this state.

(b) Not paid amounts as directed by the commissioner pursuant to Section 16142.

(c) Invested its funds in violation of Section 16121.

(d) Not collected required capital contributions in accordance with Sections 16131 and 16132.

(e) Violated any provision of this chapter.

(f) Neglected or refused to submit its books, papers, and affairs to the inspection of any examiner.

During the time the commissioner has such possession, he or she shall perform the duties and carry out the obligations of the corporation.

SEC. 13. It is the intent of the Legislature that this act shall be given retroactive effect as of January 1, 1984.

SEC. 14. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Since the changes to be made by this act relating to membership fees and assessments will have an immediate beneficial effect on all credit unions which are presently members, and those credit unions which are in the process of joining the California Credit Union Share Guaranty Corporation, and in order to maximize the beneficial effects of the changes to the capital structure of the California Credit Union Share Guaranty Corporation, it is necessary that this act take effect immediately.

SEC. 15. It is the intent of the Legislature in amending Sections 16105 and 16131 of the Financial Code to clearly set out the nature of the funds invested in the California Credit Union Share Guaranty Corporation. The "capital contribution," as defined in Section 16105 of the Financial Code and required in Section 16131 of the Financial Code, is the equivalent of, and is to be considered as, the purchase of stock in a general business corporation.

CHAPTER 213

An act to amend Sections 4000 and 9400 of the Vehicle Code, relating to vehicles, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 20, 1984 Filed with Secretary of State June 20, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 4000 of the Vehicle Code is amended to read:

4000. (a) No person shall drive, move, or leave standing upon a highway, or in an offstreet public parking facility, any motor vehicle, trailer, semitrailer, pole or pipe dolly, logging dolly, or auxiliary dolly unless it is registered and the appropriate fees have been paid under this code, except that an off-highway motor vehicle which displays an identification plate or device issued by the department pursuant

to Section 38010 may be driven, moved, or left standing in an offstreet public parking facility without being registered or paying registration fees.

For purposes of this subdivision, "offstreet public parking facility" means any publicly owned parking facility, and any privately owned parking facility for which no fee for the privileges to park is charged and which is held open for the common public use of retail customers of more than one retail store. This subdivision does not apply to any motor vehicle stored in a privately owned offstreet parking facility by, or with the express permission of, the owner of the privately owned offstreet parking facility.

(b) No person shall drive, move, or leave standing upon a highway any motor vehicle, as defined in Chapter 2 (commencing with Section 39010) of Part 1 of Division 26 of the Health and Safety Code, which has been registered in violation of Part 5 (commencing with Section 43000) of that Division 26.

(c) This section does not apply, following payment of fees due for registration, during the time that registration and transfer is being withheld by the department pending the investigation of any use tax due under the Revenue and Taxation Code.

(d) When a vehicle is towed by a tow car on order of a sheriff, marshal, or other official acting pursuant to a court order or on order of a peace officer acting pursuant to Chapter 10 (commencing with Section 22650) of Division 11, subdivision (a) of this section does not apply.

SEC. 2. Section 9400 of the Vehicle Code, as added by Section 33 of Chapter 541 of the Statutes of 1981, is amended to read:

9400. In addition to any other registration fee, there shall be paid the fees set forth in this section for the registration of commercial vehicles. Whenever a camper is temporarily attached to a motor vehicle designed to transport property, the motor vehicle shall be subject to the fees imposed by this section. The camper shall be deemed to be a load, and fees imposed by this section upon the motor vehicle shall be based upon the unladen weight of the motor vehicle, exclusive of the camper.

(a) For any electric vehicle designed, used, or maintained as described in this section, fees shall be paid for registration according to the following schedule:

Unladen weight	Fee
Less than 6,000 lbs.	$ 87
6,000 lbs. or more but less than 10,000 lbs.	173
10,000 lbs. or more	232

(b) For any motor vehicle having not more than two axles and designed, used, or maintained as described in this section, other than an electric vehicle, fees shall be paid for registration according to the following schedule:

Unladen Weight	Fee
Less than 3,000 lbs.	$ 8
3,000 lbs. to and including 4,000 lbs.	24
4,001 lbs. to and including 5,000 lbs.	52
5,001 lbs. to and including 6,000 lbs.	100
6,001 lbs. to and including 7,000 lbs.	133
7,001 lbs. to and including 8,000 lbs.	167
8,001 lbs. to and including 9,000 lbs.	200
9,001 lbs. to and including 10,000 lbs.	234
10,001 lbs. to and including 11,000 lbs.	266
11,001 lbs. to and including 12,000 lbs.	300
12,001 lbs. to and including 13,000 lbs.	334
13,001 lbs. to and including 14,000 lbs.	366
14,001 lbs. and over	400

(c) For any motor vehicle having three or more axles, or for any trailer, semitrailer, pole or pipe dolly, logging dolly, or other dolly designed, used, or maintained as described in this section, other than an electric vehicle, fees shall be paid for registration according to the following schedule:

Unladen weight	Fee
2,000 lbs. to and including 3,000 lbs.	$ 28
3,001 lbs. to and including 4,000 lbs.	50
4,001 lbs. to and including 5,000 lbs.	100
5,001 lbs. to and including 6,000 lbs.	150
6,001 lbs. to and including 7,000 lbs.	200
7,001 lbs. to and including 8,000 lbs.	250
8,001 lbs. to and including 9,000 lbs.	300
9,001 lbs. to and including 10,000 lbs.	350
10,001 lbs. to and including 11,000 lbs.	400
11,001 lbs. to and including 12,000 lbs.	450
12,001 lbs. to and including 13,000 lbs.	500
13,001 lbs. to and including 14,000 lbs.	550
14,001 lbs. to and including 15,000 lbs.	600
15,001 lbs. and over	660

(d) This section shall not be applicable to any vehicle which is operated or moved over the highway exclusively for the purpose of historical exhibition or other similar noncommercial purpose.

(e) This section shall become operative January 1, 1985. The fee changes effected by this section apply to (1) initial or original registration on and after January 1, 1985, of any commercial vehicle never before registered in this state and (2) to renewal of registration of any commercial vehicle whose registration expires on or after December 31, 1984.

SEC. 3. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act cre-

ates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order (1) to clarify that off-road vehicles are not exempt from registration when used on the highways and (2) to avoid further litigation by clarifying the implementation of changes in vehicle weight fees that become operative January 1, 1985, it is necessary that this act take effect immediately.

CHAPTER 214

An act to add Section 24012 to the Government Code, relating to county officers, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 20, 1984 Filed with Secretary of State June 20, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 24012 is added to the Government Code, to read:

24012. Notwithstanding the provisions of Section 24009, the Board of Supervisors of the County of Del Norte may, by ordinance, provide that the office of public administrator shall be filled by appointment by the board. In the County of Del Norte, the same person may be appointed to hold the offices of public administrator, public guardian, and county veteran services officer simultaneously.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Serious budgetary problems existing in Del Norte County make it necessary to combine three existing offices in order or the county to be able to continue to provide urgently needed services to the public.

CHAPTER 215

An act to amend Section 1203.1 of the Penal Code, relating to criminal law.

[Approved by Governor May 20, 1984. Filed with Secretary of State May 20, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1203.1 of the Penal Code, as amended by Section 1.5 of Chapter 1414 of the Statutes of 1982, is amended to read:

1203.1. The court or judge thereof, in the order granting probation, may suspend the imposing, or the execution of the sentence and may direct that the suspension may continue for a period of time not exceeding the maximum possible term of the sentence, except as hereinafter set forth, and upon those terms and conditions as it shall determine. The court, or judge thereof, in the order granting probation and as a condition thereof may imprison the defendant in the county jail for a period not exceeding the maximum time fixed by law in the case; however, where the maximum possible term of the sentence is five years or less, then the period of suspension of imposition or execution of sentence may, in the discretion of the court, continue for not over five years; may fine the defendant in a sum not to exceed the maximum fine provided by law in the case; or may in connection with granting probation, impose either imprisonment in county jail, or fine, or both, or neither; shall provide for restitution in proper cases; and may require bonds for the faithful observance and performance of any or all of the conditions of probation.

The court shall consider whether the defendant as a condition of probation shall make restitution to the victim or the Indemnity Fund if assistance has been granted to the victim pursuant to Article 1 (commencing with Section 13959) of Chapter 5 of Part 4 of Division 3 of Title 2 of the Government Code. Any restitution payment received by a probation department in the form of cash or money order shall be forwarded to the victim within 30 days from the date the payment is received by the department. Any restitution payment received by a probation department in the form of a check or draft shall be forwarded to the victim within 45 days from the date the payment is received by the department. In cases where the court has ordered the defendant to pay restitution to multiple victims and where the administrative cost of disbursing restitution payments to multiple victims involves a significant cost, any restitution payment received by a probation department shall be forwarded to multiple victims when it is cost-effective to do so, but in no event shall restitution disbursements be delayed beyond 90 days from the date the payment is received by the probation department. In counties or

cities and counties where road camps, farms, or other public work is available the court may place the probationer in such a road camp, farm, or other public work instead of in jail; Section 25359 of the Government Code shall apply to probation and the court shall have the same power to require adult probationers to work, as prisoners confined in the county jail are required to work, at public work. Each county board of supervisors may fix the scale of compensation of the adult probationers in that county. In all cases of probation the court may require as a condition of probation that the probationer go to work and earn money for the support of his or her dependents or to pay any fine imposed or reparation condition, to keep an account of his or her earnings, to report them to the probation officer and apply those earnings as directed by the court.

In all such cases if as a condition of probation a judge of the superior court sitting by authority of law elsewhere than at the county seat requires a convicted person to serve his or her sentence at intermittent periods the sentence may be served on the order of the judge at the city jail nearest to the place at which the court is sitting, and the cost of his or her maintenance shall be a county charge.

Upon conviction of any offense involving child abuse or neglect, the court may require, in addition to any or all of the above-mentioned terms of imprisonment, fine, and other reasonable conditions, that the defendant shall participate in counseling or education programs, or both, including, but not limited to, parent education or parenting programs operated by community colleges, school districts, other public agencies, or private agencies.

The court may impose and require any or all of the above-mentioned terms of imprisonment, fine, and conditions, and other reasonable conditions, as it may determine are fitting and proper to the end that justice may be done, that amends may be made to society for the breach of the law, for any injury done to any person resulting from that breach, and generally and specifically for the reformation and rehabilitation of the probationer, and that should the probationer violate any of the terms or conditions imposed by the court in the matter, it shall have authority to modify and change any and all such terms and conditions and to reimprison the probationer in the county jail within the limitations of the penalty of the public offense involved. Upon the defendant being released from the county jail under the terms of probation as originally granted or any modification subsequently made, and in all cases where confinement in a county jail has not been a condition of the grant of probation, the court shall place the defendant or probationer in and under the charge of the probation officer of the court, for the period or term fixed for probation. However, upon the payment of any fine imposed and the fulfillment of all conditions of probation, probation shall cease at the end of the term of probation, or sooner, in the event of modification. In counties and cities and counties in which there are facilities for taking fingerprints, those of

each probationer shall be taken and a record of them kept and preserved.

Any other provision of law to the contrary notwithstanding, all fines collected by a county probation officer in any of the courts of this state, as a condition of the granting of probation, or as a part of the terms of probation, shall be paid into the county treasury and placed in the general fund, for the use and benefit of the county.

If the court orders restitution to be made to the victim, the board of supervisors may add a fee to cover the actual administrative cost of collecting restitution but not to exceed 2 percent of the total amount ordered to be paid. The fees shall be paid into the general fund of the county treasury for the use and benefit of the county.

This section shall remain in effect only until January 1, 1989, and as of that date is repealed, unless a later enacted statute which is chaptered before January 1, 1989, deletes or extends that date.

SEC. 2. Section 1203.1 of the Penal Code, as added by Section 2.5 of Chapter 1414 of the Statutes of 1982, is amended to read:

1203.1. The court or judge thereof, in the order granting probation, may suspend the imposing, or the execution of the sentence and may direct that the suspension may continue for a period of time not exceeding the maximum possible term of the sentence, except as hereinafter set forth, and upon those terms and conditions as it shall determine. The court, or judge thereof, in the order granting probation and as a condition thereof may imprison the defendant in the county jail for a period not exceeding the maximum time fixed by law in the case; however, where the maximum possible term of the sentence is five years or less, then the period of suspension of imposition or execution of sentence may, in the discretion of the court, continue for not over five years; may fine the defendant in a sum not to exceed the maximum fine provided by law in the case; or may in connection with granting probation, impose either imprisonment in county jail, or fine, or both, or neither; shall provide for restitution in proper cases; and may require bonds for the faithful observance and performance of any or all of the conditions of probation.

The court shall consider whether the defendant as a condition of probation shall make restitution to the victim or the Indemnity Fund if assistance has been granted to the victim pursuant to Article 1 (commencing with Section 13959) of Chapter 5 of Part 4 of Division 3 of Title 2 of the Government Code. In counties or cities and counties where road camps, farms, or other public work is available the court may place the probationer in such a road camp, farm, or other public work instead of in jail; Section 25359 of the Government Code shall apply to probation and the court shall have the same power to require adult probationers to work, as prisoners confined in the county jail are required to work, at public work. Each county board of supervisors may provide public work and fix the scale of compensation of the adult probationers in that county. In all cases of probation the court is authorized to require as a condition of

probation that the probationer go to work and earn money for the support of his or her dependents or to pay any fine imposed or reparation condition, to keep an account of his or her earnings, to report them to the probation officer and apply those earnings as directed by the court.

In all such cases if as a condition of probation a judge of the superior court sitting by authority of law elsewhere than at the county seat requires a convicted person to serve his or her sentence at intermittent periods the sentence may be served on the order of the judge at the city jail nearest to the place at which the court is sitting, and the cost of his or her maintenance shall be a county charge.

Upon conviction of any offense involving child abuse or neglect, the court may require, in addition to any or all of the above-mentioned terms of imprisonment, fine, and other reasonable conditions, that the defendant shall participate in counseling or education programs, or both, including, but not limited to, parent education or parenting programs operated by community colleges, school districts, other public agencies, or private agencies.

The court may impose and require any or all of the above-mentioned terms of imprisonment, fine, and conditions, and other reasonable conditions, as it may determine are fitting and proper to the end that justice may be done, that amends may be made to society for the breach of the law, for any injury done to any person resulting from that breach and generally and specifically for the reformation and rehabilitation of the probationer, and that should the probationer violate any of the terms or conditions imposed by the court in the matter, it shall have authority to modify and change any and all such terms and conditions and to reimprison the probationer in the county jail within the limitations of the penalty of the public offense involved. Upon the defendant being released from the county jail under the terms of probation as originally granted or any modification subsequently made, and in all cases where confinement in a county jail has not been a condition of the grant of probation, the court shall place the defendant or probationer in and under the charge of the probation officer of the court, for the period or term fixed for probation. However, upon the payment of any fine imposed and the fulfillment of all conditions of probation, probation shall cease at the end of the term of probation, or sooner, in the event of modification. In counties and cities and counties in which there are facilities for taking fingerprints, those of each probationer shall be taken and a record of them kept and preserved.

Any other provision of law to the contrary notwithstanding, all fines collected by a county probation officer in any of the courts of this state, as a condition of the granting of probation, or as a part of the terms of probation, shall be paid into the county treasury and placed in the general fund, for the use and benefit of the county.

If the court orders restitution to be made to the victim, the board

of supervisors may add a fee to cover the actual administrative cost of collecting restitution but not to exceed 2 percent of the total amount ordered to be paid. The fees shall be paid into the general fund of the county treasury for the use and benefit of the county.

This section shall become operative on January 1, 1989.

CHAPTER 216

An act to amend Section 6787 of the Business and Professions Code, to amend Section 12002 of the Fish and Game Code, to amend Section 668 of the Harbors and Navigation Code, to amend Section 432.7 of the Labor Code, to amend Section 241.4 of the Penal Code, to amend Sections 5413 and 5414 of the Public Utilities Code, and to amend Sections 11520, 14601.1, 14601.2, 23104, 23109, 23160, and 23161 of the Vehicle Code, relating to fines.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 6787 of the Business and Professions Code is amended to read:

6787. Every person is guilty of a misdemeanor and for each offense of which he is convicted is punishable by a fine of not more than one thousand dollars ($1,000) or by imprisonment not to exceed three months, or by both fine and imprisonment:

(a) Who, unless he is exempt from registration under this chapter, practices or offers to practice civil, electrical or mechanical engineering in this state according to the provisions of this chapter without legal authorization.

(b) Who presents or attempts to file as his own the certificate of registration of another.

(c) Who gives false evidence of any kind to the board, or to any member thereof, in obtaining a certificate of registration.

(d) Who impersonates or uses the seal of any other practitioner.

(e) Who uses an expired or revoked certificate of registration.

(f) Who shall represent himself as, or use the title of, registered civil, electrical or mechanical engineer, or any other title whereby such person could be considered as practicing or offering to practice civil, electrical or mechanical engineering in any of its branches, unless he is correspondingly qualified by registration as a civil, electrical or mechanical engineer under this chapter.

(g) Who, unless appropriately registered, manages, or conducts as manager, proprietor, or agent, any place of business from which civil, electrical or mechanical engineering work is solicited, performed or practiced.

(h) Who uses the title, or any combination of such title, of

"professional engineer," "registered engineer," "chemical engineer," "civil engineer," "electrical engineer," "industrial engineer," "mechanical engineer," "metallurgical engineer," "petroleum engineer," "structural engineer," "soil engineer," or "engineer-in-training," or the titles in such other branches as the board may establish, or who makes use of any abbreviation of such title which might lead to the belief that he is a registered engineer, without being registered as required by this act.

(i) Who uses the title "consulting engineer" without being registered as required by this act or without being authorized to use such title pursuant to legislation enacted at the 1963, 1965 or 1968 Regular Session

(j) Who violates any provision of this chapter.

SEC. 2. Section 12002 of the Fish and Game Code is amended to read:

12002. The maximum punishment for a violation constituting a misdemeanor is a fine of one thousand dollars ($1,000) or imprisonment in the county jail for six months, or both, except as follows:

(a) The maximum punishment for violation of any of the following provisions is a fine of two thousand dollars ($2,000) or imprisonment in the county jail for one year, or both:

(1) Section 1059.

(2) Section 2052.

(3) Sections 3511, 4700, 5050, and 5515.

(4) Subdivision (d) of Section 4004.

(5) Sections 4600 to 4606, inclusive.

(6) Subdivision (a) or (b) of Section 5650.

(7) Section 8670.

(8) Section 10500.

(b) The maximum punishment for violation of any of the following provisions is a fine of four thousand dollars ($4,000) or imprisonment in the county jail for one year, or both:

(1) Section 3005.9.

(2) A violation of commission regulations which is discovered pursuant to Section 3005.91 or 3005.92.

SEC. 3. Section 668 of the Harbors and Navigation Code is amended to read:

668. (a) Any person who violates any provisions of Section 652, 654, 654.05, 654.06, 655.2, 655.3, 659, or 663.6, or any regulations adopted by the department pursuant thereto, is guilty of a misdemeanor and shall be subject to a fine of not to exceed one hundred dollars ($100) or imprisonment in the county jail for not to exceed five days, or both, for each violation.

(b) Any person who violates any provisions of subdivision (a) or (b) of Section 658 is guilty of a misdemeanor and shall be subject to a fine of not to exceed two hundred dollars ($200) for each violation.

(c) Except as provided in subdivision (d), any person who violates any provision of Section 652.5, subdivision (a) or (b) of Section 655,

Section 656, or subdivision (d) or (e) of Section 658, or any special rules and regulations adopted by the department pursuant to the provisions of subdivision (b) or (c) of Section 660, is guilty of a misdemeanor and shall be subject to a fine of not to exceed one thousand dollars ($1,000) or imprisonment in the county jail for not to exceed six months, or both, for each violation.

(d) If a person convicted of violating subdivision (a) or (b) of Section 655 has, within the preceding five years, been convicted of any violation of Section 655, the person shall be punished by imprisonment in the county jail for not more than six months or by a fine not exceeding one thousand dollars ($1,000), or by both that fine and imprisonment.

(e) Any person who violates subdivision (c) of Section 655 shall be punished by imprisonment in the state prison, or in the county jail for not less than 90 days nor more than one year, and by a fine of not less than two hundred fifty dollars ($250) nor more than five thousand dollars ($5,000).

(f) If any person is convicted of an offense under subdivision (c) of Section 655 within five years of a prior conviction of a violation of subdivision (b) of Section 655 and is granted probation, it shall be a condition of probation that the person be confined in county jail for not less than five days nor more than one year, and pay a fine of not less than two hundred fifty dollars ($250) nor more than five thousand dollars ($5,000). If any person is convicted of an offense under subdivision (c) of Section 655 within five years of a prior conviction of a violation of subdivision (c) of Section 655 and is granted probation, it shall be a condition of probation that the person be confined in county jail for not less than 90 days nor more than one year, and pay a fine of not less than two hundred fifty dollars ($250) nor more than five thousand dollars ($5,000).

(g) In no event shall the court have the power to absolve a person who is convicted of an offense under subdivision (c) of Section 655 within five years of a prior conviction of a violation of that section from the obligation of spending the minimum time in confinement as provided in this section, and of paying a fine of at least two hundred fifty dollars ($250), except as provided in subdivision (h).

(h) Except in unusual cases where the interests of justice demand an exception, the court shall not strike a prior conviction of an offense under subdivision (b) or (c) of Section 655 for purposes of sentencing in order to avoid imposing as part of the sentence or term of probation the minimum time in confinement and the minimum fine, as provided in this section. When such a prior conviction is stricken by the court for purposes of sentencing, the court shall specify the reason or reasons for the striking order. On appeal by the people from an order striking such a prior conviction, it shall be conclusively presumed that the order was made only for the reasons specified in the order, and the order shall be reversed if there is no substantial basis in the record for any of those reasons.

SEC. 4. Section 432.7 of the Labor Code is amended to read:

432.7. (a) No employer whether a public agency or private individual or corporation shall ask an applicant for employment to disclose, through any written form or verbally, information concerning an arrest or detention which did not result in conviction, or information concerning a referral to and participation in any pretrial or posttrial diversion program, nor shall any employer seek from any source whatsoever, or utilize, as a factor in determining any condition of employment including hiring, promotion, termination, or any apprenticeship training program or any other training program leading to employment, any record of arrest or detention which did not result in conviction, or any record regarding a referral to and participation in any pretrial or posttrial diversion program. As used in this section, a conviction shall include a plea, verdict, or finding of guilt regardless of whether sentence is imposed by the court. Nothing in this section shall prevent an employer from asking an employee or applicant for employment about an arrest for which the employee or applicant is out on bail or on his or her own recognizance pending trial.

(b) In any case where a person violates any provision of this section, or Article 6 (commencing with Section 11140) of Chapter 1 of Title 1 of Part 4 of the Penal Code, the applicant may bring an action to recover from such person actual damages or two hundred dollars ($200), whichever is greater, plus costs, and reasonable attorney's fees. An intentional violation of this section shall entitle the applicant to treble actual damages, or five hundred dollars ($500), whichever is greater, plus costs, and reasonable attorney's fees. An intentional violation of this section is a misdemeanor punishable by a fine not to exceed one thousand dollars ($1,000).

(c) The remedies under this section shall be in addition to and not in derogation of all other rights and remedies which an applicant may have under any other law.

(d) Persons seeking employment as peace officers or for positions in the Department of Justice or other criminal justice agencies as defined in Section 13101 of the Penal Code are not covered by this section.

(e) Nothing in this section shall prohibit an employer at a health facility, as defined in Section 1250 of the Health and Safety Code, from asking an applicant for employment either of the following:

(1) With regard to an applicant for a position with regular access to patients, to disclose an arrest under any section specified in Section 290 of the Penal Code.

(2) With regard to an applicant for a position with access to drugs and medication, to disclose an arrest under any section specified in Section 11590 of the Health and Safety Code.

(f) (1) No peace officer or employee of a law enforcement agency with access to criminal offender record information maintained by a local law enforcement criminal justice agency shall knowingly disclose, with intent to affect a person's employment, any information contained therein pertaining to an arrest or detention or

proceeding which did not result in a conviction, including information pertaining to a referral to and participation in any pretrial or posttrial diversion program, to any person not authorized by law to receive such information.

(2) No other person authorized by law to receive criminal offender record information maintained by a local law enforcement criminal justice agency shall knowingly disclose any information received therefrom pertaining to an arrest or detention or proceeding which did not result in a conviction, including information pertaining to a referral to and participation in any pretrial or posttrial diversion program, to any person not authorized by law to receive such information.

(3) No person, except those specifically referred to in Section 1070 of the Evidence Code, who knowing he or she is not authorized by law to receive or possess criminal justice records information maintained by a local law enforcement criminal justice agency, pertaining to an arrest or other proceeding which did not result in a conviction, including information pertaining to a referral to and participation in any pretrial or posttrial diversion program, shall receive or possess such information.

(g) "A person authorized by law to receive such information", for purposes of this section, means any person or public agency authorized by a court, statute, or decisional law to receive information contained in criminal offender records maintained by a local law enforcement criminal justice agency, and includes, but is not limited to, those persons set forth in Section 11105 of the Penal Code, and any person employed by a law enforcement criminal justice agency who is required by such employment to receive, analyze, or process criminal offender record information.

(h) Nothing in this section shall require the Department of Justice to remove entries relating to an arrest or detention not resulting in conviction from summary criminal history records forwarded to an employer pursuant to law.

(i) As used in this section, "pretrial or posttrial diversion program" means any program under Chapter 2.5 (commencing with Section 1000) or Chapter 2.7 (commencing with Section 1001) of Title 6 of Part 2 of the Penal Code, Section 13201, 13201.5 or 13352.5 of the Vehicle Code, or any other program expressly authorized and described by statute as a diversion program.

(j) The provisions of subdivision (a) shall not apply to the Los Angeles Olympic Organizing Committee, and the Olympic Games Law Enforcement Coordinating Council and its designated representatives employed by member agencies in screening, pursuant to subdivision (k), current and prospective Los Angeles Olympic Organizing Committee employees, Olympic games concessionaires and contractors and their subcontractors, agents, and employees, and any other individuals who require Olympic accreditation. However, individuals shall not be asked to disclose arrests except for which the individual is out on bail or on his or her

own recognizance pending trial.

(k) (1) Nothing in subdivision (a) shall prohibit the Olympic Games Law Enforcement Coordinating Council from denying Olympic games accreditation to individuals on the basis of a recommendation pursuant to paragraph (2). No employer other than the Los Angeles Olympics Organizing Committee shall utilize such a recommendation or denial of accreditation as a factor in determining any condition of employment including hiring, promotion, termination, or any apprenticeship training program or any other training program leading to employment, for work conducted by the employer that is not conducted as an Olympic games concessionaire, contractor, or subcontractor.

(2) State and local law enforcement agencies who are members of the Olympic Games Law Enforcement Coordinating Council may inform the Los Angeles Olympics Organizing Committee of their recommendation as to whether or not an individual should be granted Olympic games accreditation based upon (i) conviction for a felony or misdemeanor involving moral turpitude or (ii) a currently pending criminal charge. In making its recommendation, the agency shall consider the nature of the crime for which the applicant was convicted or the currently pending criminal charge in relationship to the specific assignment for which the applicant is being considered and any evidence of rehabilitation and the period of time that has elapsed since the conviction.

(3) Any person denied accreditation by reason of a recommendation made pursuant to paragraph (2) shall be informed in writing of the reason for denial and shall have the opportunity to correct any inaccuracy or incompleteness in the state or local summary criminal history information pursuant to Section 11126 or Section 13324 of the Penal Code. The person shall also be entitled to an appeal of such recommendation, which appeal must be filed within five days of notice of such recommendation, with the Olympic Games Law Enforcement Coordinating Council. The decision on such appeal shall be rendered within five days after the appeal is made.

(*l*) This section shall remain in effect only until August 31, 1984, and as of such date is repealed, unless a later enacted statute, which is chaptered on or before August 31, 1984, deletes or extends such date. If that date is not deleted or extended, then, on and after August 31, 1984, pursuant to Section 9611 of the Government Code, Section 432.7 of the Labor Code, as amended by Section 1 of Chapter 1103 of the Statutes of 1981, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 5. Section 241.4 of the Penal Code is amended to read:

241.4. An assault is punishable by fine not exceeding one thousand dollars ($1,000), or by imprisonment in the county jail not exceeding six months, or by both. When the assault is committed against the person of a peace officer engaged in the performance of his or her duties as a member of a police department of a school

district pursuant to Section 39670 of the Education Code, and the person committing the offense knows or reasonably should know that the victim is a peace officer engaged in the performance of his or her duties, the offense shall be punished by imprisonment in the county jail not exceeding one year or by imprisonment in the state prison.

SEC. 6. Section 11520 of the Vehicle Code is amended to read:

11520. (a) A licensed automobile dismantler who acquired, for the purpose of dismantling, actual possession, as a transferee, of a vehicle of a type subject to registration under this code shall do all of the following:

(1) Within five calendar days, not including the day of acquisition, mail a notice of acquisition to the department at its headquarters.

(2) Within five calendar days, not including the day of acquisition, mail a copy of the notice of acquisition to the Department of Justice at its headquarters.

(3) Not begin dismantling until 10 calendar days have elapsed after mailing the notice of acquisition. In the alternative, dismantling may begin any time after the dismantler complies with paragraph (4).

(4) Deliver to the department, within 90 calendar days of the date of acquisition, the documents evidencing ownership and the license plates last issued for the vehicle. Proof that a registered or certified letter of demand for the documents was sent within 90 days of the date of acquisition to the person from whom the vehicle was acquired may be substituted for documents that cannot otherwise be obtained. A certificate of license plate destruction, when authorized by the director, may be delivered in lieu of the license plates.

(5) Maintain a business record of all vehicles acquired for dismantling. The record shall contain the name and address of the person from whom the vehicle was acquired; the date the vehicle was acquired; the license plate number last assigned to the vehicle; and a brief description of the vehicle, including its make, type, and the vehicle identification number used for registration purposes. The record required by this subdivision shall be a business record of the dismantler separate and distinct from the records maintained in those books and forms furnished by the department.

(b) Paragraphs (1) and (2) of subdivision (a), do not apply to vehicles acquired pursuant to Section 11515 or 22851.2 of this code or Section 3071, 3072, or 3073 of the Civil Code.

(c) Any person who violates this section is guilty of a misdemeanor. Any person not licensed under this chapter who is convicted under this section shall be punished upon a first conviction by imprisonment in the county jail for not less than five days or more than six months or by a fine of not less than fifty dollars ($50) nor more than one thousand dollars ($1,000) or by both such fine and imprisonment; and upon a second or any subsequent conviction, by imprisonment in the county jail for not less than 30 days nor more than one year or by a fine of not less than two hundred fifty dollars

($250) nor more than two thousand dollars ($2,000) or by both such fine and imprisonment.

SEC. 7. Section 5413 of the Public Utilities Code is amended to read:

5413. Every charter-party carrier of passengers and every officer, director, agent, or employee of any charter-party carrier of passengers who violates or who fails to comply with, or who procures, aids, or abets, any violation by any charter-party carrier of passengers of any provision of this chapter, or who fails to obey, observe, or comply with any order, decision, rule, regulation, direction, demand, or requirement of the commission, or of any operating permit or certificate issued to any charter-party carrier of passengers, or who procures, aids, or abets any charter-party carrier of passengers in its failure to obey, observe, or comply with any such order, decision, rule, regulation, direction, demand, requirement, or operating permit, or certificate, is subject to a penalty of not more than one thousand dollars ($1,000) for each offense.

SEC. 8. Section 5414 of the Public Utilities Code is amended to read:

5414. Every corporation or person other than a charter-party carrier of passengers who knowingly and willfully, either individually, or acting as an officer, agent, or employee of a corporation, copartnership, or any other person other than a charter-party carrier of passengers, violates any provision of this chapter or fails to observe, obey, or comply with any order, decision, rule, regulation direction, demand, or requirement of the commission, or who procures, aids, or abets any charter-party carrier of passengers in its violation of this chapter, or in its failure to obey, observe, or comply with any such order, decision, rule, regulation, direction, demand, or requirement, is subject to a penalty of not more than one thousand dollars ($1,000) for each offense.

SEC. 9. Section 14601.1 of the Vehicle Code is amended to read:

14601.1. (a) No person shall drive a motor vehicle when his or her driving privilege is suspended or revoked for any reason other than those listed in Section 14601 or 14601.2 and when the person so driving has knowledge of the suspension or revocation. Knowledge shall be presumed if notice has been given by the department to the person. The presumption established by this subdivision is a presumption affecting the burden of proof.

(b) Any person convicted under this section shall be punished as follows:

(1) Upon a first conviction, by imprisonment in the county jail for not more than six months or by a fine of not more than one thousand dollars ($1,000), or by both that fine and imprisonment.

(2) If the offense occurred within five years of a prior offense which resulted in a conviction of a violation of this section or Section 14601 or 14601.2, by imprisonment in the county jail for not less than five days nor more than one year and by a fine of not more than two thousand dollars ($2,000).

SEC. 10. Section 14601.2. of the Vehicle Code is amended to read:

14601.2. (a) No person shall drive a motor vehicle at any time when that person's driving privilege is suspended or revoked for a conviction of a violation of Section 23152 or 23153, and when the person so driving has knowledge of the suspension or revocation.

(b) Except in full compliance with the restriction, no person shall drive a motor vehicle at any time when that person's driving privilege is restricted pursuant to Article 2 (commencing with Section 23151) of Chapter 12 of Division 11, and when the person so driving has knowledge of the restriction.

(c) Knowledge of suspension or revocation of the driving privilege shall be presumed if notice has been given by the department to the person and knowledge of restriction of the driving privilege shall be presumed if notice has been given by the court to the person. The presumption established by this subdivision is a presumption affecting the burden of proof.

(d) Any person convicted of a violation of this section shall be punished as follows:

(1) Upon a first conviction, by imprisonment in the county jail for not less than 10 days nor more than six months and by a fine of not more than one thousand dollars ($1,000).

(2) If the offense occurred within five years of a prior offense which resulted in a conviction of a violation of this section or Section 14601, by imprisonment in the county jail for not less than 30 days nor more than one year and by a fine of not more than two thousand dollars ($2,000).

(e) If any person is convicted of a first offense under this section and is granted probation, the court shall impose as a condition of probation that the person be confined in the county jail for at least 10 days.

(f) If the offense occurred within five years of a prior offense which resulted in a conviction of a violation of this section or Section 14601 and is granted probation, the court shall impose as a condition of probation that the person be confined in the county jail for at least 30 days.

(g) If any person is convicted of a second or subsequent offense which results in a conviction of this section within seven years, but over five years, of a prior offense which resulted in a conviction of a violation of this section or Section 14601 or 14601.1 and is granted probation, the court shall impose as a condition of probation that the person be confined in the county jail for at least 10 days.

SEC. 11. Section 23104 of the Vehicle Code is amended to read:

23104. (a) Except as provided in subdivision (b), whenever reckless driving of a vehicle proximately causes bodily injury to any person other than the driver, the person driving the vehicle shall, upon conviction thereof, be punished by imprisonment in the county jail for not less than 30 days nor more than six months or by a fine of not less than two hundred twenty dollars ($220) nor more than one thousand dollars ($1,000), or by both the fine and imprisonment.

(b) Any person convicted of reckless driving which proximately causes great bodily injury, as defined in Section 12022.7 of the Penal Code, to any person other than the driver, who previously has been convicted of a violation of Section 23103, 23104, 23109, 23152, or 23153, shall be punished by imprisonment in the state prison, by imprisonment in the county jail for not less than 30 days nor more than six months or by a fine of not less than two hundred twenty dollars ($220) nor more than one thousand dollars ($1,000) or by both the fine and imprisonment.

SEC. 12. Section 23109 of the Vehicle Code is amended to read:

23109. (a) No person shall engage in any motor vehicle speed contest on a highway. As used in this section, a motor vehicle speed contest includes a motor vehicle race against another vehicle, a clock, or other timing device. For purposes of this section, an event in which the time to cover a prescribed route of more than 20 miles is measured, but where the vehicle does not exceed the speed limits, is not a speed contest.

(b) No person shall aid or abet in any motor vehicle speed contest on any highway.

(c) No person shall engage in any motor vehicle exhibition of speed on a highway, and no person shall aid or abet in any motor vehicle exhibition of speed on any highway.

(d) No person shall for the purpose of facilitating or aiding or as an incident to any motor vehicle speed contest or exhibition upon a highway in any manner obstruct or place any barricade or obstruction or assist or participate in placing any barricade or obstruction upon any highway.

(e) Any person convicted of a violation of subdivision (a) shall be punished by imprisonment in the county jail for not less than 24 hours nor more than 90 days or by a fine of not less than three hundred fifty-five dollars ($355) nor more than one thousand dollars ($1,000) or both that fine and imprisonment. The person's privilege to operate a motor vehicle shall be subject to suspension as provided in subdivision (a) of Section 13352. The person's privilege to operate a motor vehicle may be restricted for 90 days to six months to necessary travel to and from that person's place of employment and, if driving a motor vehicle is necessary to perform the duties of the person's employment, restricted to driving in that person's scope of employment. This subdivision does not interfere with the court's power to grant probation in a suitable case.

(f) Any person convicted of a violation of subdivision (a) for an offense which occurred within five years of the date of a prior offense which resulted in a conviction of a violation of subdivision (a) shall be punished by imprisonment in the county jail for not less than four days nor more than six months and by a fine of not less than five hundred dollars ($500) nor more than one thousand dollars ($1,000). Additionally, the Department of Motor Vehicles shall either suspend the person's privilege to operate a motor vehicle, as provided in subdivision (a) of Section 13352, or the person's privilege to operate

a motor vehicle shall be restricted for six months to necessary travel to and from that person's place of employment and, if driving a motor vehicle is necessary to perform the duties of the person's employment, restricted to driving in that person's scope of employment. This subdivision does not interfere with the court's power to grant probation in a suitable case.

(g) If the court grants probation to any person punishable under subdivision (f), in addition to the provisions of subdivision (f) and any other terms and conditions imposed by the court, which may include a fine, the court shall impose as a condition of probation that the person be confined in the county jail for not less than 48 hours nor more than six months. The person's privilege to operate a motor vehicle shall also be suspended by the Department of Motor Vehicles pursuant to subdivision (a) of Section 13352 or shall be restricted pursuant to subdivision (f).

(h) If any person is convicted of a violation of subdivision (a) and the vehicle used in the violation is registered to that person, the vehicle may be impounded at the registered owner's expense for not less than one day nor more than 30 days.

(i) Any person who violates subdivision (b), (c), or (d) of this section shall upon conviction thereof be punished by imprisonment in the county jail for not more than 90 days or by fine of not more than five hundred dollars ($500) or by both that fine and imprisonment.

(j) If a person's privilege to operate a motor vehicle is restricted by a court pursuant to this section, the court shall clearly mark the restriction and the dates of the restriction on that person's driver's license and promptly notify the Department of Motor Vehicles of the terms of the restriction in a manner prescribed by the department. The Department of Motor Vehicles shall place that restriction in the person's records in the Department of Motor Vehicles and enter the restriction on any license subsequently issued by the Department of Motor Vehicles to that person during the period of the restriction.

(k) The court may order that any person convicted under this section, who is to be punished by imprisonment in the county jail, be imprisoned on days other than days of regular employment of the person, as determined by the court.

(*l*) This section shall be known and may be cited as the Louis Friend Memorial Act.

SEC. 13. Section 23160 of the Vehicle Code is amended to read:

23160. (a) If any person is convicted of a first violation of Section 23152, that person shall be punished by imprisonment in the county jail for not less than 96 hours nor more than six months and by a fine of not less than three hundred ninety dollars ($390) nor more than one thousand dollars ($1,000).

(b) The court may order that any person punished under this section, who is to be punished by imprisonment in the county jail, be imprisoned on days other than days of regular employment of the person, as determined by the court.

(c) Except as provided in Section 23161, the court shall order the Department of Motor Vehicles to suspend the privilege to operate a motor vehicle of a person punished under this section for six months pursuant to paragraph (1) of subdivision (a) of Section 13352.

SEC. 14. Section 23161 of the Vehicle Code is amended to read:

23161. (a) If the court grants probation to any person punished under Section 23160, in addition to the provisions of Section 23206 and any other terms and conditions imposed by the court, the court shall impose as a condition of probation that the person be subject to one of the following:

(1) Be confined in the county jail for at least 48 hours but not more than six months and pay a fine of at least three hundred ninety dollars ($390) but not more than one thousand dollars ($1,000). The court may order the Department of Motor Vehicles to suspend the privilege to operate a motor vehicle pursuant to paragraph (1) of subdivision (a) of Section 13352 when this condition of probation is imposed.

(2) Pay a fine of at least three hundred ninety dollars ($390) but not more than one thousand dollars ($1,000) and have the privilege to operate a motor vehicle restricted for 90 days to necessary travel to and from that person's place of employment and to and from the treatment program described in subdivision (b) and, if driving a motor vehicle is necessary to perform the duties of the person's employment, restricted to driving in that person's scope of employment.

(b) In any county where the county alcohol program administrator has certified and the board of supervisors has approved such a program or programs, the court shall also impose as a condition of probation that the driver shall participate in, and successfully complete, an alcohol or drug education program, or both of these programs, as designated by the court.

(c) Each county which has approved and certified an alcohol or drug education program or programs shall make provision for persons who cannot afford the program fee, in order to enable those persons to participate.

(d) In order to assure effectiveness of the alcohol or drug education program, the county shall provide, as appropriate, services to ethnic minorities, women, youth, or any other group that has particular needs related to the program.

CHAPTER 217

An act to amend Sections 12965 and 12980 of the Government Code, relating to fair employment and housing.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 12965 of the Government Code is amended to read:

12965. (a) In the case of failure to eliminate an unlawful practice under this part through conference, conciliation or persuasion, or in advance thereof if circumstances warrant, the director in his or her discretion may cause to be issued in the name of the department a written accusation. The accusation shall contain the name of the person, employer, labor organization or employment agency accused, which shall be known as the respondent, shall set forth the nature of the charges, shall be served upon the respondent together with a copy of the verified complaint, as amended, and shall require the respondent to answer the charges at a hearing.

For any complaint treated by the director as a group or class complaint for purposes of investigation, conciliation, and accusation pursuant to Section 12961, an accusation shall be issued, if at all, within two years after the filing of the complaint. For all other complaints, an accusation shall be issued, if at all, within one year after the filing of a complaint. If the director determines, pursuant to Section 12961, that a complaint investigated as a group or class complaint under Section 12961 is to be treated as a group or class complaint for purposes of conciliation and accusation as well, such determination shall be made and shall be communicated in writing within one year after the filing of the complaint to each person, employer, labor organization, employment agency, or public entity alleged in the complaint to have committed an unlawful practice.

(b) If an accusation is not issued within 150 days after the filing of a complaint, or if the department earlier determines that no accusation will issue, the department shall promptly notify, in writing, the person claiming to be aggrieved. Such notice shall indicate that the person claiming to be aggrieved may bring a civil action under this part against the person, employer, labor organization or employment agency named in the verified complaint within one year from the date of such notice. The superior, municipal, and justice courts of the State of California shall have jurisdiction of such actions, and the aggrieved person may file in any of these courts. Such an action may be brought in any county in the state in which the unlawful practice is alleged to have been committed, in the county in which the records relevant to such practice are maintained and administered, or in the county in which the aggrieved person would have worked or would have had access to the public accommodation but for the alleged unlawful practice, but if the defendant is not found within any such county, such an action may be brought within the county of defendant's residence or principal office. Such actions may not be filed as class actions or may

not be maintained as class actions by the person or persons claiming to be aggrieved where such persons have filed a civil class action in the federal courts alleging a comparable claim of employment discrimination against the same defendant or defendants. In actions brought under this section, the court, in its discretion may award to the prevailing party reasonable attorney fees and costs except where such action is filed by a public agency or a public official, acting in an official capacity.

SEC. 1.5. Section 12965 of the Government Code is amended to read:

12965. (a) In the case of failure to eliminate an unlawful practice under this part through conference, conciliation or persuasion, or in advance thereof if circumstances warrant, the director in his or her discretion may cause to be issued in the name of the department a written accusation. The accusation shall contain the name of the person, employer, labor organization or employment agency accused, which shall be known as the respondent, shall set forth the nature of the charges, shall be served upon the respondent together with a copy of the verified complaint, as amended, and shall require the respondent to answer the charges at a hearing.

For any complaint treated by the director as a group or class complaint for purposes of investigation, conciliation, and accusation pursuant to Section 12961, an accusation shall be issued, if at all, within two years after the filing of the complaint. For all other complaints, an accusation shall be issued, if at all, within one year after the filing of a complaint. If the director determines, pursuant to Section 12961, that a complaint investigated as a group or class complaint under Section 12961 is to be treated as a group or class complaint for purposes of conciliation and accusation as well, such determination shall be made and shall be communicated in writing within one year after the filing of the complaint to each person, employer, labor organization, employment agency, or public entity alleged in the complaint to have committed an unlawful practice.

(b) If an accusation is not issued within 150 days after the filing of a complaint, or if the department earlier determines that no accusation will issue, the department shall promptly notify, in writing, the person claiming to be aggrieved. Such notice shall indicate that the person claiming to be aggrieved may bring a civil action under this part against the person, employer, labor organization or employment agency named in the verified complaint within one year from the date of such notice. The superior, municipal, and justice courts of the State of California shall have jurisdiction of such actions, and the aggrieved person may file in any of these courts. Such an action may be brought in any county in the state in which the unlawful practice is alleged to have been committed, in the county in which the records relevant to such practice are maintained and administered, or in the county in which the aggrieved person would have worked or would have had access to the public accommodation but for the alleged unlawful practice,

but if the defendant is not found within any such county, such an action may be brought within the county of defendant's residence or principal office. A copy of any complaint filed pursuant to this part shall be served on the principal offices of the department and of the commission. The remedy for failure to send a copy of a complaint is an order to do so. Such actions may not be filed as class actions or may not be maintained as class actions by the person or persons claiming to be aggrieved where such persons have filed a civil class action in the federal courts alleging a comparable claim of employment discrimination against the same defendant or defendants. In actions brought under this section, the court, in its discretion may award to the prevailing party reasonable attorney fees and costs except where such action is filed by a public agency or a public official, acting in an official capacity.

SEC. 2. Section 12980 of the Government Code is amended to read:

12980. The provisions of this article govern the procedure for the prevention and elimination of discrimination in housing made unlawful pursuant to Article 2 (commencing with Section 12955) of Chapter 6.

(a) Any person claiming to be aggrieved by an alleged violation of Section 12955 may file with the department a verified complaint in writing which shall state the name and address of the person alleged to have committed the violation complained of, and which shall set forth the particulars thereof and contain such other information as may be required by the department.

The filing of a complaint and pursuit of conciliation or remedy under this part shall not prejudice the complainant's right to pursue effective judicial relief under other applicable laws, but if a civil action has been filed under Section 52 of the Civil Code, the department shall terminate proceedings upon notification of the entry of final judgment unless such judgment is a dismissal entered at the complainant's request.

(b) The Attorney General, the commission, or the director may, in a like manner, make, sign, and file such complaints citing practices which appear to violate the purpose of this part or any specific provisions of this part relating to housing discrimination.

No complaint may be filed after the expiration of 60 days from the date upon which the alleged violation occurred. This period may be extended for not to exceed 60 days following the expiration of the initial 60 days, if a person allegedly aggrieved by such violation first obtained knowledge of the facts of such alleged violation after the expiration of the initial 60 days from date of its occurrence.

(c) The department may thereupon proceed upon such complaint in the same manner and with the same powers as provided in this part in the case of an unlawful practice.

(d) If an accusation is not issued within 150 days after the filing of a complaint, or if the department earlier determines that no accusation will issue, the department shall promptly notify the

person claiming to be aggrieved. This notice shall, in any event, be issued no more than 30 days after the date of the determination or 30 days after the date of the expiration of the 150-day period, whichever date first occurs. Such notice shall indicate that the person claiming to be aggrieved may bring a civil action under this part against the person named in the verified complaint within one year from the date such notice is mailed. The superior, municipal, and justice courts of the State of California shall have jurisdiction of such actions, and the aggrieved person may file in any of these courts. Such an action may be brought in any county in the state in which the violation is alleged to have been committed, or in the county in which the records relevant to such alleged violation are maintained and administered, but if the defendant is not found within any such county, such an action may be brought within the county of defendant's residence or principal office. In a civil action brought under this section, the court, in its discretion, may award to the prevailing party reasonable attorney fees.

SEC. 2.5. Section 12980 of the Government Code is amended to read:

12980. The provisions of this article govern the procedure for the prevention and elimination of discrimination in housing made unlawful pursuant to Article 2 (commencing with Section 12955) of Chapter 6.

(a) Any person claiming to be aggrieved by an alleged violation of Section 12955 may file with the department a verified complaint in writing which shall state the name and address of the person alleged to have committed the violation complained of, and which shall set forth the particulars thereof and contain such other information as may be required by the department.

The filing of a complaint and pursuit of conciliation or remedy under this part shall not prejudice the complainant's right to pursue effective judicial relief under other applicable laws, but if a civil action has been filed under Section 52 of the Civil Code, the department shall terminate proceedings upon notification of the entry of final judgment unless such judgment is a dismissal entered at the complainant's request.

(b) The Attorney General, the commission, or the director may, in a like manner, make, sign, and file such complaints citing practices which appear to violate the purpose of this part or any specific provisions of this part relating to housing discrimination.

No complaint may be filed after the expiration of 60 days from the date upon which the alleged violation occurred. This period may be extended for not to exceed 60 days following the expiration of the initial 60 days, if a person allegedly aggrieved by such violation first obtained knowledge of the facts of such alleged violation after the expiration of the initial 60 days from date of its occurrence.

(c) The department may thereupon proceed upon such complaint in the same manner and with the same powers as provided in this part in the case of an unlawful practice.

(d) If an accusation is not issued within 150 days after the filing of a complaint, or if the department earlier determines that no accusation will issue, the department shall promptly notify the person claiming to be aggrieved. This notice shall, in any event, be issued no more than 30 days after the date of the determination or 30 days after the date of the expiration of the 150-day period, whichever date first occurs. Such notice shall indicate that the person claiming to be aggrieved may bring a civil action under this part against the person named in the verified complaint within one year from the date such notice is mailed. The superior, municipal, and justice courts of the State of California shall have jurisdiction of such actions, and the aggrieved person may file in any of these courts. Such an action may be brought in any county in the state in which the violation is alleged to have been committed, or in the county in which the records relevant to such alleged violation are maintained and administered, but if the defendant is not found within any such county, such an action may be brought within the county of defendant's residence or principal office. A copy of any complaint filed pursuant to this part shall be served on the principal offices of the department and of the commission. The remedy for failure to send a copy of a complaint is an order to do so. In a civil action brought under this section, the court, in its discretion, may award to the prevailing party reasonable attorney fees.

SEC. 3. Section 1.5 of this bill incorporates amendments to Section 12965 of the Government Code proposed by both this bill and AB 2421. It shall only become operative if (1) both bills are enacted and become effective on January 1, 1985, (2) each bill amends Section 12965 of the Government Code, and (3) this bill is enacted after AB 2421, in which case Section 1 of this bill shall not become operative.

SEC. 4. Section 2.5 of this bill incorporates amendments to Section 12980 of the Government Code proposed by both this bill and AB 2421. It shall only become operative if (1) both bills are enacted and become effective on January 1, 1985, (2) each bill amends Section 12980 of the Government Code, and (3) this bill is enacted after AB 2421, in which case Section 2 of this bill shall not become operative.

CHAPTER 218

An act to add Sections 703.130 and 703.140 to, and to repeal Section 703.130 of, the Code of Civil Procedure, relating to exemptions.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 703.130 of the Code of Civil Procedure is repealed.

SEC. 1.5. Section 703.130 is added to the Code of Civil Procedure, to read:

703.130. Pursuant to the authority of paragraph (1) of subsection (b) of Section 522 of Title 11 of the United States Code, the exemptions set forth in subsection (d) of Section 522 of Title 11 of the United States Code (Bankruptcy) are not authorized in this state.

SEC. 2. Section 703.140 is added to the Code of Civil Procedure, to read:

703.140. (a) If a petition is filed under Title 11 of the United States Code, the exemptions provided by this chapter other than the provisions of subdivision (b) of this section shall be applicable, but the exemptions provided by subdivision (b) may be elected in lieu of all other exemptions provided by this chapter, as follows:

(1) If a husband and wife are joined in the petition, they jointly may elect to utilize the applicable exemption provisions of this chapter other than the provisions of subdivision (b), or to utilize the applicable exemptions set forth in subdivision (b), but not both.

(2) If the petition is filed individually, and not jointly, for a husband or a wife, the exemptions provided by this chapter other than the provisions of subdivision (b) are applicable, except that, if both the husband and the wife effectively waive in writing the right to claim, during the period the case commenced by filing the petition is pending, the exemptions provided by the applicable exemption provisions of this chapter, other than subdivision (b), in any case commenced by filing a petition for either of them under Title 11 of the United States Code, then they may elect to instead utilize the applicable exemptions set forth in subdivision (b).

(3) If the petition is filed for an unmarried person, that person may elect to utilize the applicable exemption provisions of this chapter other than subdivision (b), or to utilize the applicable exemptions set forth in subdivision (b), but not both.

(b) The following exemptions may be elected as provided in subdivision (a)

(1) The debtor's aggregate interest, not to exceed seven thousand five hundred dollars ($7,500) in value, in real property or personal property that the debtor or a dependent of the debtor uses as a residence, in a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence, or in a burial plot for the debtor or a dependent of the debtor.

(2) The debtor's interest, not to exceed one thousand two hundred dollars ($1,200) in value, in one motor vehicle.

(3) The debtor's interest, not to exceed two hundred dollars ($200) in value in any particular item, in household furnishings, household goods, wearing apparel, appliances, books, animals, crops, or musical instruments, that are held primarily for the personal,

family, or household use of the debtor or a dependent of the debtor.

(4) The debtor's aggregate interest, not to exceed five hundred dollars ($500) in value, in jewelry held primarily for the personal, family, or household use of the debtor or a dependent of the debtor.

(5) The debtor's aggregate interest, not to exceed in value four hundred dollars ($400) plus any unused amount of the exemption provided under paragraph (1), in any property.

(6) The debtor's aggregate interest, not to exceed seven hundred fifty dollars ($750) in value, in any implements, professional books, or tools of the trade of the debtor or the trade of a dependent of the debtor.

(7) Any unmatured life insurance contract owned by the debtor, other than a credit life insurance contract.

(8) The debtor's aggregate interest, not to exceed in value four thousand dollars ($4,000) in any accrued dividend or interest under, or loan value of, any unmatured life insurance contract owned by the debtor under which the insured is the debtor or an individual of whom the debtor is a dependent.

(9) Professionally prescribed health aids for the debtor or a dependent of the debtor.

(10) The debtor's right to receive any of the following:

(A) A social security benefit, unemployment compensation, or a local public assistance benefit.

(B) A veterans' benefit.

(C) A disability, illness, or unemployment benefit.

(D) Alimony, support, or separate maintenance, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor.

(E) A payment under a stock bonus, pension, profitsharing, annuity, or similar plan or contract on account of illness, disability, death, age, or length of service, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor, unless all of the following apply:

(i) That plan or contract was established by or under the auspices of an insider that employed the debtor at the time the debtor's rights under the plan or contract arose.

(ii) The payment is on account of age or length of service.

(iii) That plan or contract does not qualify under Section 401(a), 403(a), 403(b), 408, or 409 of the Internal Revenue Code of 1954.

(11) The debtor's right to receive, or property that is traceable to, any of the following:

(A) An award under a crime victim's reparation law.

(B) A payment on account of the wrongful death of an individual of whom the debtor was a dependent, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor.

(C) A payment under a life insurance contract that insured the life of an individual of whom the debtor was a dependent on the date of such individual's death, to the extent reasonably necessary for the

support of the debtor and any dependent of the debtor.

(D) A payment, not to exceed seven thousand five hundred dollars ($7,500), on account of personal bodily injury, not including pain and suffering or compensation for actual pecuniary loss, of the debtor or an individual of whom the debtor is a dependent.

(E) A payment in compensation of loss of future earnings of the debtor or an individual of whom the debtor is or was a dependent, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor.

CHAPTER 219

An act to amend Section 22507.2 of the Vehicle Code, relating to vehicles, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 20, 1984 Filed with Secretary of State June 20, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 22507.2 of the Vehicle Code is amended to read:

22507.2. Notwithstanding subdivision (e) of Section 22500, a local authority may, by ordinance, authorize the owner or lessee of property to park a vehicle in front of the owner's or lessee's private driveway when the vehicle displays a permit issued pursuant to the ordinance authorizing such parking. The ordinance shall include, but not be limited to, the following requirements:

(a) The name and address of the owner or lessee of the private property is on the permit.

(b) The permit is effective while the holder owns or leases the property for which the permit is issued, but may be revoked without notice or hearing if the local authority determines that parking authorized by the permit creates traffic safety or other public health and safety problems.

(c) The permit is prominently displayed in the front windshield of any vehicle parked in front of the private driveway.

The local authority may charge a nonrefundable fee to defray the costs of issuing and administering the permits.

A local ordinance adopted pursuant to this section may not authorize parking on a sidewalk in violation of subdivision (f) of Section 22500.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that this act may become operative at the earliest possible

time, thereby relieving severe parking problems in beach communities during the summer months, it is necessary that this act take effect immediately.

CHAPTER 220

An act to add Section 7514 to the Government Code, relating to public retirement and pension systems.

[Approved by Governor June 20, 1984. Filed with Secretary of State June 20, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 7514 is added to the Government Code, to read:

7514. As used in Section 11 of Article VII of the Constitution, the following terms have the following meanings:

(a) "Actuarial equivalent" means a benefit of equal value when computed upon the basis of the mortality tables adopted and the actuarial interest rate fixed by the Board of Administration of the Public Employees' Retirement System.

(b) "Beneficiary" means any person or corporation designated by a member, a retired member, or statute, or the estate of a member or retired member designated by the member or retired member, to receive a benefit under the retirement system, on account of the death of the member or retired member.

(c) "Salary" means the actual wages paid but shall not include any other benefits, such as, but not limited to, health and dental benefits, retirement benefits, vacation pay, and per diem.

(d) "Unmodified pension or retirement allowance" means the maximum pension or retirement allowance receivable, prior to any selection of an optional settlement and includes any cost-of-living adjustment and any other increase granted subsequent to retirement.

SEC. 2. This act shall become operative only upon the approval by the electors of Senate Constitutional Amendment 36 of the 1983–84 Regular Session of the Legislature and, in such event, on the effective date of the approval.

CHAPTER 221

An act to amend Section 441 of the Public Utilities Code, relating to the Public Utilities Commission, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 21, 1984 Filed with Secretary of State June 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 441 of the Public Utilities Code is amended to read:

441. The Director of Finance may authorize the commission to borrow not to exceed 10 million dollars ($10,000,000) for purposes of implementing this chapter from any funds or accounts, including, but not limited to, the Transportation Rate Fund, the State Energy Resources Conservation and Development Special Account, and the State Energy Resources Conservation and Development Reserve Account, deemed appropriate by the Director of Finance. The commission shall repay the loan or loans with interest to be determined in accordance with Section 16314 of the Government Code.

SEC. 2. The Public Utilities Commission, in cooperation with the Department of Finance and representatives of highway carriers required to pay fees into the Transportation Rate Fund pursuant to Chapter 6 (commencing with Section 5001) of Division 2 of the Public Utilities Code, shall investigate and study the feasibility of establishing a variable fee to be paid by these carriers based on the extent of the regulatory services required from the commission by each carrier and taking into consideration the type of operating authority held by the carrier and the commodities transported. In conducting this investigation and study, the commission shall consider all of the following factors:

(a) Equity and fairness to the carriers involved.

(b) Costs of collection and administration of the fees.

(c) Revenue requirements of the commission.

(d) Other relevant considerations.

The commission shall report its findings and recommendations, including recommendations for any needed statutory changes, to the Legislature on or before January 1, 1985.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to resolve issues of fairness and equity in the support of the Public Utilities Commission through the Transportation Rate Fund in 1984 so that any needed legislation may be introduced in 1985, and in order that the commission may be authorized to borrow necessary funds to implement its authority to levy fees for its support, it is necessary that this act take effect immediately.

CHAPTER 222

An act relating to hazardous liquid pipelines, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 21, 1984. Filed with Secretary of State June 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The sum of one hundred seventy-four thousand dollars ($174,000) is hereby appropriated from the Operations Account of the California Hazardous Liquid Pipeline Safety Fund to the State Fire Marshal for the 1983–84 fiscal year to be used for the purposes of carrying out the California Pipeline Safety Act of 1981 (Chapter 5.5 (commencing with Section 51010) of Part 1 of Division 3 of Title 5 of the Government Code).

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Due to the need to protect the public health and safety from the threat of fires and explosions from hazardous liquid pipelines, it is necessary that this act take effect immediately.

CHAPTER 223

An act to amend Sections 25251 and 25253 of the Health and Safety Code, relating to health.

[Approved by Governor June 21, 1984 Filed with Secretary of State June 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 25251 of the Health and Safety Code is amended to read:

25251. As used in this chapter:

(a) "Health care provider" means any of the following:

(1) A health facility licensed pursuant to Chapter 2 (commencing with Section 1250) of Division 2.

(2) A clinic licensed pursuant to Chapter 1 (commencing with Section 1200) of Division 2.

(3) A home health agency licensed pursuant to Chapter 8 (commencing with Section 1725) of Division 2.

(4) A physician and surgeon licensed pursuant to Chapter 5 (commencing with Section 2000) of Division 2 of the Business and

Professions Code or pursuant to the Osteopathic Act.

(5) A podiatrist licensed pursuant to Article 19 (commencing with Section 2525) of Chapter 5 of Division 2 of the Business and Professions Code.

(6) A dentist licensed pursuant to Chapter 4 (commencing with Section 1600) of Division 2 of the Business and Professions Code.

(7) An optometrist licensed pursuant to Chapter 7 (commencing with Section 3000) of Division 2 of the Business and Professions Code.

(8) A chiropractor licensed pursuant to the Chiropractic Initiative Act.

(9) A marriage, family, and child counselor licensed pursuant to Chapter 13 (commencing with Section 4980) of Division 2 of the Business and Professions Code.

(10) A clinical social worker licensed pursuant to Chapter 17 (commencing with Section 9000) of Division 3 of the Business and Professions Code.

(b) "Mental health records" means patient records, or discrete portions thereof, specifically relating to evaluation or treatment of a mental disorder. "Mental health records" includes, but is not limited to, all alcohol and drug abuse records.

(c) "Patient" means a patient or former patient of a health care provider.

(d) "Patient records" means records in any form or medium maintained by, or in the custody or control of, a health care provider relating to the health history, diagnosis, or condition of a patient, or relating to treatment provided or proposed to be provided to the patient. "Patient records" includes only records pertaining to the patient requesting the records or whose representative requests the records. "Patient records" does not include information given in confidence to a health care provider by a person other than another health care provider or the patient, and such material may be removed from any records prior to inspection or copying under Section 25252 or 25253. "Patient records" does not include information contained in aggregate form, such as indices, registers, or logs.

(e) "Patient's representative" or "representative" means a parent or the guardian of a minor who is a patient, or the guardian or conservator of the person of an adult patient.

(f) "Alcohol and drug abuse records" means patient records, or discrete portions thereof, specifically relating to evaluation and treatment of alcoholism or drug abuse.

SEC. 2. Section 25253 of the Health and Safety Code is amended to read:

25253. (a) The representative of a minor shall not be entitled to inspect or obtain copies of the minor's patient records:

(1) With respect to which the minor has a right of inspection under Section 25252; or

(2) Where the health care provider determines that access to the patient records requested by the representative would have a

detrimental effect on the provider's professional relationship with the minor patient or the minor's physical safety or psychological well being. The decision of the health care provider as to whether or not a minor's records are available for inspection under this section shall not attach any liability to the provider, unless such a decision is found to be in bad faith.

(b) When a health care provider determines there is a substantial risk of significant adverse or detrimental consequences to a patient in seeing or receiving a copy of mental health records requested by the patient, the provider may decline to permit inspection or provide copies of such records to the patient, subject to the following conditions:

(1) The health care provider shall make a written record, to be included with the mental health records requested, noting the date of the request and explaining the health care provider's reason for refusing to permit inspection or provide copies thereof, including a description of the specific adverse or detrimental consequences to the patient which the provider anticipates would occur if inspection or copying were permitted.

(2) The health care provider shall permit inspection by, or provide copies of, the mental health records to a licensed physician and surgeon or licensed psychologist designated by request of the patient.

(3) The health care provider shall inform the patient of the provider's refusal to permit him or her to inspect or obtain copies of the requested records, and inform the patient of the right to require the provider to permit inspection by, or provide copies to, a licensed physician and surgeon, licensed psychologist, or licensed clinical social worker designated by written authorization of the patient.

(4) The health care provider shall indicate in the mental health records of the patient whether such a request was made under paragraph (2) of this subdivision.

CHAPTER 224

An act to amend Sections 406, 412, and 413 of the Colusa County Flood Control and Water Conservation District Act (Chapter 926 of the Statutes of 1983), and to repeal and add Section 8.5 of the Siskiyou County Flood Control and Water Conservation District Act (Chapter 2121 of the Statutes of 1959), relating to special districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 21, 1984 Filed with Secretary of State June 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 406 of the Colusa County Flood Control and Water Conservation District Act (Chapter 926 of the Statutes of 1983) is amended to read:

Sec. 406. As used in this section, "special district" means a city, irrigation district, water district, reclamation district, drainage district, or any other special district or mutual water company which has any of the powers enumerated in Section 409, 410, 411, 412, 413, and 417. The district shall not exercise within the boundaries of a special district any power enumerated in Section 409, 410, 411, 412, 413, 415, or 417 which is common to the power of the special district, without the prior agreement of the governing body of the special district.

SEC. 2. Section 412 of the Colusa County Flood Control and Water Conservation District (Chapter 926 of the Statutes of 1983) is amended to read:

Sec. 412. The district shall have the power to construct, operate, and maintain works to develop hydroelectric energy and transmission lines for the conveyance thereof. The power generated may be used by the district for its purposes, or for the production or transmission of water, but shall not be offered for sale directly by the district to customers other than a public utility or public agency.

The power to construct, operate, and maintain works to develop hydroelectric energy shall not include, and nothing in this act shall be construed to permit, the acquisition of property already employed in the generation of hydroelectric energy for public utility purposes, except by mutual agreement between the district and the owner of that property.

SEC. 3. Section 413 of the Colusa County Flood Control and Water Conservation District (Chapter 926 of the Statutes of 1983) is amended to read:

Sec. 413. The district shall have the power within or outside the district to construct, purchase, lease, or otherwise acquire works, and to purchase, lease, appropriate, or otherwise acquire surface waters and water rights, useful and necessary to make use of water for any purposes authorized by this act.

The power to purchase, lease, or acquire water rights set forth in this section may be exercised only with regard to those rights that may be offered for sale, lease, or acquisition by the person possessing them. The power to appropriate water rights set forth in this section is restricted to those rights that are not appropriated by another at the time the power is exercised.

SEC. 4. Section 8.5 of the Siskiyou County Flood Control and Water Conservation District Act (Chapter 2121 of the Statutes of 1959) is repealed.

SEC. 5. Section 8.5 is added to the Siskiyou County Flood Control and Water Conservation District Act (Chapter 2121 of the Statutes of 1959), to read:

Sec. 8.5. Notwithstanding Section 56039 of the Government Code, the district is a "district" for purposes of the District Reorganization Act of 1965 (Division 1 (commencing with Section 56000) of Title 6 of the Government Code).

All proceedings for the annexation or detachment of territory to or from the district shall be conducted in the manner provided for in District Reorganization Act of 1965, and all the provisions of the act apply to the district.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to permit the Siskiyou County Flood Control and Water Conservation District and the Colusa County Flood Control and Water Conservation District to provide for the control and conservation of flood and storm waters within portions of Siskiyou and Colusa Counties at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 225

An act to amend Sections 5115, 7452, and 7453 of, and to add Sections 5103.5, 5105.5, 5105.8, and 7456 to, and to add Article 10 (commencing with Section 7700) to Chapter 6 of Division 2 of, the Financial Code, relating to savings associations, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 21, 1984 Filed with Secretary of State June 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 5103.5 is added to the Financial Code, to read:

5103.5. "Commercial paper" means any note, draft, or bill of exchange which arises out of a current transaction or the proceeds of which have been or are to be used for current transactions, and which has a maturity at the time of issuance of not exceeding nine months, exclusive of days of grace, or any renewal thereof the maturity of which is likewise limited.

SEC. 2. Section 5105.5 is added to the Financial Code, to read:

5105.5. "Consumer loan" means a loan for personal, family, or household purposes, and loans reasonably incident thereto, and may be made as either open-end or closed-end consumer credit, but does not include credit extended in connection with credit cards or bona fide overdraft loans.

SEC. 3. Section 5105.8 is added to the Financial Code, to read:

5105.8. "Corporate debt security" means a marketable

obligation, evidencing the indebtedness of any corporation in the form of a bond, note, or debenture, or both note and debenture, which is commonly regarded as a debt security and is not predominantly speculative in nature. A security is marketable if it may be sold with reasonable promptness at a price which corresponds reasonably to its fair value.

SEC. 4. Section 5115 of the Financial Code is amended to read:

5115. "Real estate loan" means a loan or other obligation secured by a lien on real estate, if:

(a) The security property is real estate as defined pursuant to Section 658 of the Civil Code.

(b) The security interest of the association may be enforced as a real estate mortgage, deed of trust, or its equivalent.

(c) The security property is capable of separate appraisal.

(d) The association relies substantially upon the real estate as primary security for the loan.

(e) With regard to security property which is a leasehold or other interest for a period of years, the term of interest extends, or is subject to extension or renewal at the option of the association, for a term of at least five years following maturity of the loan.

SEC. 5. Section 7452 of the Financial Code is amended to read:

7452. (a) An association may make consumer loans, provided that the total of such loans shall not exceed 30-percent of the assets of the association.

(b) An association may include loans to dealers in consumer goods to finance inventory and floor planning in the total investment as part of the 30-percent limitation described in subdivision (a). For purposes of the limitations on loans to one borrower, loans to dealers in consumer goods to finance inventory and floor planning shall be treated as commercial loans.

SEC. 6. Section 7453 of the Financial Code is amended to read:

7453. (a) An association may make secured or unsecured loans for agricultural, business, corporate, or commercial purposes, provided that:

(1) With respect to loans made directly by an association, the total of agricultural, business, corporate, and commercial loans under this section shall not exceed 10 percent of the assets of the association.

(2) With respect to agricultural, business, corporate, or commercial loans originated by a commercial bank, subsidiary of a commercial bank, bank holding company or subsidiaries of a bank holding company located in this state, and either purchased by or participated in by an association, the total of such purchases and participations shall not exceed 10 percent of the assets of the association.

(b) No association shall make a loan for commercial, corporate, business, or agricultural purposes to one borrower if the sum of the amount of the loan and the total balance of all outstanding loans for those purposes owed to the association by that borrower exceed the greater of (1) the amount a national bank having an identical total

capital and surplus could lend to one borrower, or (2) the amount a commercial bank, as defined in Section 105, having an identical total shareholders' equity, capital notes, and debentures, could lend to one borrower. This subdivision shall not apply to loans secured by real property.

(c) As used in this section the term "one borrower" includes:

(1) Any person that is or becomes an obligor on the loans.

(2) Nominees of an obligor, or members of the obligor's household.

(3) All persons, trusts, partnerships, syndicates, and corporations of which the obligor is a nominee or a beneficiary, partner, member, or record or beneficial stockholder owning 10 percent or more of the capital stock.

(4) If the obligor is a trust, partnership, syndicate, or corporation, all trusts, partnerships, syndicates, and corporations of which any beneficiary, partner, member, or record or beneficial stockholder owning 10 percent or more of the capital stock, is also a beneficiary, partner, member, or record or beneficial stockholder owning 10 percent or more of the capital stock of the obligor.

SEC. 7. Section 7456 is added to the Financial Code, to read:

7456. Any loan commitment made by an association shall be counted as an investment and shall be included in total assets of the association only to the extent that funds have been advanced (and not repaid) pursuant to the commitment. For the purposes of this section, the term "loan commitment" includes a loan in process, a letter of credit, or any other commitment to extend credit.

SEC. 8. Article 10 (commencing with Section 7700) is added to Chapter 6 of Division 2 of the Financial Code, to read:

Article 10. Finance Leasing

7700. An association may engage in leasing activities that are the functional equivalent of lending, subject to the limitations of this article.

7701. An association may become the legal or beneficial owner of tangible personal property or real property for the purpose of leasing such property, may obtain an assignment of a lessor's interest in a lease of such property, and may incur obligations incidental to its position as the legal or beneficial owner and lessor of the leased property, if:

(1) The lease is a net, full-payout lease representing a noncancelable obligation of the lessee, notwithstanding the possible early termination of the lease.

(2) At the expiration of the lease, the association's interest in the property shall be liquidated or released on a net basis as soon as practicable.

7702. (a) A lease of tangible personal property made to a natural person for personal, family, or household purposes pursuant to this section shall be subject to all limitations applicable to the amount of

an association's investment in consumer loans.

(b) A lease made for commercial, corporate, business, or agricultural purposes pursuant to this section shall be subject to all limitations applicable to the amount of an association's investment in commercial loans.

(c) A lease of residential or nonresidential real property made pursuant to this section shall be subject to all limitations applicable to the amount of an association's investment in real estate loans.

7703. For the purposes of this article:

(a) A "net lease" is a lease under which the association will not, directly or indirectly, provide or be obligated to provide for:

(1) The servicing, repair, or maintenance of the leased property during the lease term.

(2) The purchasing of parts and accessories for the leased property; provided that improvements and additions to the leased property may be leased to the lessee upon its request in accordance with the full pay-out requirement of this section.

(3) The loan of replacement or substitute property while the leased property is being serviced.

(4) The purchasing of insurance for a lessee, except where the lessee has failed to discharge a contractual obligation to purchase or maintain insurance.

(5) The renewal of any license, registration, or filing for the property unless such action by the association is necessary to protect its interest as an owner or financer of the property.

(b) A "full-payout" lease is one from which the lessor can reasonably expect to realize a return of its full investment in the leased property, plus the estimated cost of financing the property over the term of the lease, from rentals, estimated tax benefits, and the estimated residual value of the property at the expiration of the initial term of the lease; provided that no more than 20 percent of the return may be realized from the residual value of the property at the expiration of the initial term of the lease. Both the estimated residual value of the property and that portion of the estimated residual value relied upon by the lessor to satisfy the requirements of a full-payout lease must be reasonable in light of the nature of the leased property and all relevant circumstances so that realization of the lessor's full investment plus the cost of financing the property depends primarily on the creditworthiness of the lessee, and not on the residual market value of the leased property. The maximum term of a full-payout lease shall be 40 years.

7704. If, in good faith, an association believes that there has been an unanticipated change in conditions that threatens its financial position by significantly increasing its exposure to loss, the provisions of Sections 7702 and 7703 of this article shall not prevent the association:

(a) As the owner and lessor under a net, full pay-out lease, from taking reasonable and appropriate action to salvage or protect the value of the property or its interest arising under the lease.

(b) As the assignee of a lessor's interest in a lease, from becoming the owner and lessor of the leased property pursuant to its contractual right, or from taking any reasonable and appropriate action to salvage or protect the value of the property or its interest arising under the lease.

(c) From including any provisions in a lease, or from making any additional agreements, to protect its financial position or investment in the circumstances set forth in subdivisions (a) and (b) of this section.

SEC. 9. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Effective December 19, 1983, the Department of Savings and Loan, as published in Bulletin No. 84-1, adopted parity regulations commencing with Section 235.69 in Title 10 of the California Administrative Code, pursuant to Section 5500.5 of the Financial Code. The enforceability of these regulations has been called into question by the Office of Administrative Law (OAL) as a result of the enactment of Assembly Bill 1434, Chapter 1091 of the Statutes of 1983, which repealed Section 5500.5 of the Financial Code and replaced it with Section 8054. State regulated savings institutions, their depositors and borrowers, have relied upon the validity of these regulations since December 1983 as the law governing such issues as definition of commercial paper, consumer loan, corporate debt security, real estate loan, and parameters of leasing authority. These regulations were not due to expire until January 1, 1985, the date this codifying legislation would normally go into effect. As a result of the cloud on enforceability created by the OAL interpretation, and in order to retain the necessary consistency in the laws enforced by the Savings and Loan Commissioner, it is essential that this act take effect immediately.

CHAPTER 226

An act to amend Section 23332 of, and to amend and repeal Sections 23350 and 23351 of, the Government Code, relating to the creation of new counties, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 21, 1984. Filed with Secretary of State June 21, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 23332 of the Government Code is amended to read:

23332. The commission shall determine all of the following:

(a) A fair, just, and equitable distribution, as between each affected county and the proposed county, of the indebtedness of each affected county.

(b) The fiscal impact of the proposed county creation on each affected county.

(c) The economic viability of the proposed county.

(d) The final boundaries of the proposed county, pursuant to Sections 23337, 23337.5, and 23338.

(e) A procedure for the orderly and timely transition of service functions and responsibilities from the affected county or counties to the proposed county.

(f) The division of the proposed county into five supervisorial districts. The boundaries of the districts shall be established in a manner which results in a population in each district which is as equal as possible to the population in each of the other districts within the county.

(g) The division of the proposed county into a convenient and necessary number of judicial, road, and school districts, the territory of which shall be defined. To the extent possible, existing judicial, road, and school districts located within the territory of the proposed county shall be maintained.

(h) The county officials to be elected at the election for those officials.

(i) That the boundaries of the proposed county do not create a territory completely surrounded by any affected county.

(j) The location of the county seat of the proposed county.

SEC. 2. Section 23350 of the Government Code is amended to read:

23350. Upon receiving the commission's determinations, the board of supervisors of each affected county shall order and give proclamation and notice of an election to be held in each affected county on the same specified day which shall be the next statewide primary or general election date not less than 45 days after receipt of the commission's determinations, for the purpose of determining whether the proposed county shall be created; provided, however, that the election may be consolidated with the next statewide primary or general election.

This section shall remain in effect only until January 1, 1985, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1985, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1985, pursuant to Section 9611 of the Government Code, Section 23350 of the Government Code, as amended by Section 8 of Chapter 370 of the Statutes of 1979, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 3. Section 23351 of the Government Code is amended to read:

23351. The proclamation and notice of election provided for pursuant to this article shall be published at least once a week for

three weeks commencing not less than 40 days prior to the date of the election in a newspaper of general circulation in each affected county.

This section shall remain in effect only until January 1, 1985, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1985, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1985, pursuant to Section 9611 of the Government Code, Section 23350 of the Government Code, as amended by Section 8 of Chapter 370 of the Statutes of 1979, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 4. Notwithstanding Sections 23301, 23352, 23354, 23369, 23374.1, and 23374.4 of the Government Code, if the election held in November 1984 for the purpose of determining whether a county shall be created out of portions of El Dorado County is successful, then a special election shall be held in the approved county before April 1, 1985, for the purposes of determining the location of the county seat and the selection of county officers.

SEC. 5. The Legislature finds and declares that a special law is necessary for purposes of Sections 2, 3, and 4 of this act, and that a general law cannot be made applicable to the creation of a new county from territory in El Dorado County, within the meaning of Section 16 of Article IV of the California Constitution, because the required report of the County Formation Review Commission cannot be submitted to the El Dorado Board of Supervisors within existing statutory deadlines.

SEC. 6. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

SEC. 7. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that this act shall be effective for the General Election in November 1984, it is necessary for this act to take effect immediately.

CHAPTER 227

An act to amend Section 1939 of, and add Section 1940 to, the Financial Code, relating to loans.

[Approved by Governor June 21, 1984. Filed with Secretary of State June 21, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 1939 of the Financial Code is amended to read:

1939. (a) Every bank shall file with the superintendent one copy of all material filed by such bank with the Board of Governors of the Federal Reserve System or the Federal Deposit Insurance Corporation pursuant to Section 78(*l*) of Title 15, United States Code, and Section 1817(j) of Title 12, United States Code, and regulations issued thereunder.

(b) Every bank which is required to file information with the appropriate federal banking agency pursuant to Section 907 of the International Lending Supervision Act (12 U.S.C. Sec. 3907), shall file with the superintendent one copy of all material filed with the federal banking agency pursuant to the act.

(c) Each copy required to be filed pursuant to subdivisions (a) and (b) shall be filed with the superintendent on or before the date upon which the original is filed with the Board of Governors of the Federal Reserve System or the Federal Deposit Insurance Corporation, and shall be available for inspection by the public except to the extent the information contained therein is accorded confidential treatment under federal law or regulations issued thereunder by the Board of Governors of the Federal Reserve System or the Federal Deposit Insurance Corporation. All such material shall be open for inspection by the Attorney General.

SEC. 2. It is the intent of the Legislature in adding subdivision (b) to Section 1939 of the Financial Code to provide information which shall be available to the public on the foreign lending activities of banking institutions in order to permit investors and depositors to assess the risks and exercise their business judgment with respect to funding the activities of such financial institutions. In addition, such disclosure would permit self-regulation in the marketplace as governmental regulation decreases. Increased disclosure would also tend to encourage banks to assess the prudence of their foreign lending practices and to require greater risk diversification and adequate reserves as a condition for increased deposits and investments in the banks' equity and other securities.

CHAPTER 228

An act to add and repeal Sections 6701.5 and 19853.5 of the Government Code, relating to the 1984 Olympic Games, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 26, 1984 Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 6701.5 is added to the Government Code, to read:

6701.5. (a) For 1984 only, Section 6701 shall not apply to the state holiday known as "Admission Day." In 1984, "Admission Day" shall be Sunday, September 9, 1984, but the Governor shall designate Monday, August 6, 1984, rather than September 10, 1984, as a state holiday to be observed in lieu thereof.

(b) This section shall not apply to any city, county, city and county, or district unless it is made applicable by charter, or by ordinance or resolution of the governing body.

(c) This section shall remain in effect only until January 1, 1985, and on that date is repealed.

SEC. 2. Section 19853.5 is added to the Government Code, to read:

19853.5. (a) For 1984 only, Section 19853 shall not apply to the holiday known as "Admission Day." In 1984, "Admission Day" shall be Sunday, September 9, 1984, but the Governor shall designate Monday, August 6, 1984, as a state holiday to be observed in lieu thereof, subject to subdivisions (b) and (c).

(b) Notwithstanding subdivision (a), the observance of a holiday on Monday, August 6, 1984, in lieu of the ninth day of September shall be subject to "meeting and conferring" in accordance with the provisions of the State Employer-Employee Relations Act (Chapter 10.3 (commencing with Section 3512) of Division 4 of Title 1) for all state employees covered by the State Employer-Employee Relations Act, and in accordance with the provisions of the Higher Education Employer-Employee Relations Act (Chapter 12 (commencing with Section 3560) of Division 4 of Title 1) for employees of the California State University.

(c) For employees excluded from the definition of "state employee" in subdivision (c) of Section 3513, and "supervisory employees" as defined in Section 3522.1, "Admission Day" shall be observed on the day designated by the department as most appropriate in light of the day being observed by state employees covered by the State Employer-Employee Relations Act.

(d) For California State University employees excluded from the definition of "employee" in subdivision (f) of Section 3562, and California State University "supervisory employees," as defined in Section 3580.3, "Admission Day" shall be observed on the day designated by the Trustees of the California State University as most appropriate in light of the day being observed by California State University employees covered by the Higher Education Employer-Employee Relations Act.

(e) This section shall remain in effect only until January 1, 1985, and on that date is repealed.

SEC. 3. The Legislature finds and declares that the traditional observance of "Admission Day" on September 9th of each year is

historically significant to the state and nation.

Therefore, it is the intent of the Legislature that this act shall not have the effect in any manner of changing or interfering with the traditional celebrations of "Admission Day" on September 9, 1984.

SEC. 4. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to reduce the traffic congestion on the public streets and highways that is expected to increase during the time period that the 1984 Olympic Games will be held in the Los Angeles metropolitan area, and to protect the public health and safety during this period, it is necessary that this act take effect immediately.

CHAPTER 229

An act to amend Section 221 of the Fish and Game Code, relating to the Fish and Game Commission.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 221 of the Fish and Game Code is amended to read:

221. The provisions of this article are effective until January 1, 1990, and thereafter shall have no force or effect.

CHAPTER 230

An act to amend Section 44270 of the Education Code, relating to school employees, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 44270 of the Education Code is amended to read:

44270. (a) The minimum requirements for the preliminary services credential with a specialization in administrative services are all of the following:

(1) The possession of a valid teaching credential issued under the law and rules and regulations in effect on or before December 31, 1971, requiring the possession of a baccalaureate degree, or as specified in Section 44259, or as specified in Section 44260 provided the applicant also possesses a baccalaureate degree, or a services credential with a specialization in pupil personnel, health, clinical or rehabilitative, or librarian services as specified in Sections 44266, 44267, 44268, and 44269.

(2) A minimum of three years of successful, full-time classroom teaching experience in the public schools, including, but not limited to, service in state- or county-operated schools, or in private schools of equivalent status, or three years of experience in the fields of pupil personnel, health, clinical or rehabilitative, or librarian services.

(3) An entry level program of specialized and professional preparation in administrative services approved by the commission or a one-year internship in a program of supervised training in administrative services, approved by the commission as satisfying the requirements for the preliminary services credential with a specialization in administrative services.

(b) The preliminary administrative services credential shall be valid for a period of five years from date of issuance or three years from date of initial employment in a position requiring the credential, whichever date is later, and shall not be renewable.

(c) A candidate initially enrolled in a commission-approved program for the services credential with a specialization in administrative services between June 1, 1982, and October 31, 1982, shall have until July 1, 1985, to satisfy all requirements for the credential which were in effect on and before June 30, 1982, if the candidate certifies to the commission, under penalty of perjury, that the institution of postsecondary education which operated the program did not inform the candidate, on or before October 31, 1982, about the credential requirements which became effective on July 1, 1982.

(d) Except as provided in subdivision (c), a candidate formally enrolled in a commission-approved program for the services credential with a specialization in administrative services shall have until September 30, 1984, to complete those requirements for the credential which were in effect on and before June 30, 1982. Candidates not described in subdivision (c) who complete the requirements for the credential on or after October 1, 1984, shall satisfy all the requirements for the credential set forth in this section.

SEC. 2. This act is an urgency statute necessary for the

immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure that persons who have completed an administrative services credential program may apply for, and receive, those credentials at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 231

An act to amend Section 8621 of the Business and Professions Code, relating to structural pest control.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 8621 of the Business and Professions Code is amended to read:

8621. All complaints against licensees shall be filed with the board within two years after the act or omission alleged as the ground for disciplinary action or, in the case of fraud, within four years after commission of the fraudulent act or omission. The board shall file any accusation within one year after the complaint has been filed with the board, except that with respect to an accusation alleging a violation of Section 8637, the accusation may be filed within two years after the discovery by the board of the alleged facts constituting the fraud or misrepresentation prohibited by the section.

CHAPTER 232

An act to amend Section 39619.5 of the Education Code, relating to school buildings, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 26, 1984 Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 39619.5 of the Education Code is amended to read:

39619.5. Notwithstanding the limitations of Section 39619, commencing with the 1983–84 fiscal year, the State Allocation Board may each year reserve an amount not to exceed 10 percent of the

funds transferred from any source to the State School Deferred Maintenance Fund for apportionments to school districts, in addition to the apportionments made pursuant to Section 39619, in instances of extreme hardship. An extreme hardship shall exist in a school district when the State Allocation Board determines the existence of all of the following:

(1) That the district has deposited in its deferred maintenance fund an amount equal to at least 0.5 percent of the total general funds budgeted by the district for the fiscal year, exclusive of any amounts budgeted for capital outlay or debt service.

(2) That the district has a critical project on its five-year plan which if not completed in one year could result in serious damage to the remainder of the facility or would result in a serious hazard to the health and safety of the pupils attending the facility.

(3) That the total funds deposited by the district and the state pursuant to Section 39619 are insufficient to complete the project.

As a result of the determination made in the preceding paragraph, the State Allocation Board may increase the apportionment to a school district by such amount as it determines necessary to complete the critical project, provided the district agrees that state apportionments pursuant to Section 39619 in future years will be reduced to offset the increased apportionment.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide deferred maintenance funds in the 1983–84 and 1984–85 fiscal years to school districts in instances of extreme hardship, it is necessary that this act take effect immediately.

CHAPTER 233

An act to amend Section 43001 of the Health and Safety Code, relating to air pollution.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 43001 of the Health and Safety Code, as amended by Section 1 of Chapter 467 of the Statutes of 1982, is amended to read:

43001. The provisions of this part shall not apply to any of the following:

(a) Racing vehicles.

(b) Motorcycles, except as otherwise provided in Section 43107.

(c) Implements of husbandry, as defined in Chapter 1

(commencing with Section 36000) of Division 16 of the Vehicle Code.

This section shall remain in effect only until January 1, 1989, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1989, deletes or extends that date.

SEC. 2. Section 43001 of the Health and Safety Code, as added by Section 2 of Chapter 467 of the Statutes of 1982, is amended to read:

43001. The provisions of this part shall not apply to:

(a) Racing vehicles.

(b) Motorcycles, except as otherwise provided in Section 43107.

This section shall become operative on January 1, 1989.

CHAPTER 234

An act to amend Section 2282 of the Food and Agricultural Code, relating to agriculture.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 2282 of the Food and Agricultural Code is amended to read:

2282. (a) The director may allocate annually to each county an amount determined by the director not to exceed one-third of the amount expended by the county during the previous fiscal year for these programs of joint responsibility. The allocations shall be made from funds appropriated to the director for purposes of carrying out activities of joint responsibility with the commissioners at the local levels.

(b) The director's annual report to the Legislature required by Section 2281 shall include his or her findings for each of the following joint programs, including the amounts allocated to and expended by the counties in the previous fiscal year and the proposed amount to be allocated by the director for each program for the ensuing budget year:

(1) Pest detection.
(2) Pest eradication.
(3) Pest management control.
(4) Pest exclusion.
(5) Pesticide use enforcement.
(6) Seed inspection.
(7) Nursery inspection.
(8) Fruit and vegetable quality control.
(9) Egg quality control.
(10) Apiary inspection.
(11) Crop statistics.

The report shall also specify the programs which have been augmented with state funds each year since 1980 because of new legislative mandates, or because of pest infestations or outbreaks occurring since that date, and the annual amounts of those augmentations.

CHAPTER 235

An act to amend Sections 14153, 15060, 15100, 15200.1, 15200.2, and 15200.3 of, to add Sections 10604.5 and 15050.5 to, and to repeal Sections 15050, 15051, 15052, 15053, 15053.5, and 15054 of, the Welfare and Institutions Code, relating to public social services.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 10604.5 is added to the Welfare and Institutions Code, to read:

10604.5. The department shall pay only those county claims for federal or state reimbursement under this division which are filed with the department within 18 months of the end of the calendar quarter in which the costs are paid. State General Fund moneys shall not be used to reimburse county welfare departments for services billed later than 18 months after the close of the quarter in which the costs were paid. A claim filed after that time may only be paid if the claim falls within the exceptions set forth in federal law. Any claim filed with the department after July 1, 1985, shall be subject to these limitations.

SEC. 2. Section 14153 of the Welfare and Institutions Code is amended to read:

14153. Funds shall be advanced monthly to the respective counties for costs of administration of the Medi-Cal program in the manner prescribed in Chapter 9 (commencing with Section 15000).

Funds may be advanced monthly to the respective counties for the costs of care under the provisions of this chapter upon the order of the Director of Finance and the State Director of Health Services utilizing resources made available through the Health Care Deposit Fund.

County welfare departments may submit administrative claims no later than 18 months after the close of the quarter in which the costs were paid. State General Fund moneys shall not be used to reimburse county welfare departments for services billed later than 18 months after the close of the quarter in which the costs were paid. A claim filed after that time may only be paid if the claim falls within the exception set forth in federal law.

SEC. 3. Section 15050 of the Welfare and Institutions Code is

repealed.

SEC. 4. Section 15050.5 is added to the Welfare and Institutions Code, to read:

15050.5. All references in this division or in any other provision of law to the Social Welfare Federal Fund shall be deemed references to the Federal Trust Fund.

SEC. 5. Section 15051 of the Welfare and Institutions Code is repealed.

SEC. 6. Section 15052 of the Welfare and Institutions Code is repealed.

SEC. 7. Section 15053 of the Welfare and Institutions Code is repealed.

SEC. 8. Section 15053.5 of the Welfare and Institutions Code is repealed.

SEC. 9. Section 15054 of the Welfare and Institutions Code is repealed.

SEC. 10. Section 15060 of the Welfare and Institutions Code is amended to read:

15060. The State Department of Social Services may establish a Disability Evaluation Revolving Fund in an amount not to exceed one million two hundred fifty thousand dollars ($1,250,000) by withdrawing funds from the Federal Trust Fund in the State Treasury. The purpose of the revolving fund is to reimburse medical service providers for medical information costs incurred by the department for disability determination functions performed pursuant to Titles II and XVI of the federal Social Security Act and Section 10553 of the Welfare and Institutions Code. The Disability Evaluation Revolving Fund shall be administered in accordance with Section 16403 of the Government Code.

SEC. 11. Section 15100 of the Welfare and Institutions Code is amended to read:

15100. A revolving fund in the State Treasury is hereby created to be known as the Welfare Advance Fund. All moneys in the fund are appropriated for the purpose of making payments or advances to counties or the Employment Development Department of the state and federal shares of assistance, child support incentive, work incentive or medical care programs or the cost of administration of these programs, to other states of the federal shares of child support incentives, and for the payment of refunds.

Payments or advances of funds to counties or the Employment Development Department, which are properly chargeable to appropriations made from other funds in the State Treasury, may be made by Controller's warrant drawn against the Welfare Advance Fund. For every warrant so issued, the several purposes and amounts for which it was drawn shall be identified for the payee.

The amounts to be transferred to the Welfare Advance Fund at any time shall be determined by the department, and, upon order of the Controller, shall be transferred from the funds and appropriations otherwise properly chargeable therewith to the

Welfare Advance Fund.

Refunds of amounts disbursed from the Welfare Advance Fund shall, on order of the Controller, be deposited in the Welfare Advance Fund, and, on order of the Controller, shall be transferred therefrom to the funds and appropriations from which such amounts were originally derived. Claims for amounts erroneously paid into the Welfare Advance Fund shall be submitted by the department to the State Controller who, if he approves such claims, shall draw his warrant in payment thereof against the Welfare Advance Fund.

All amounts increasing the cash balance in the Welfare Advance Fund, which were derived from the cancellation of warrants issued therefrom, shall, on order of the Controller, be transferred to and in augmentation of the appropriations from which the amounts were originally derived.

SEC. 12. Section 15200.1 of the Welfare and Institutions Code is amended to read:

15200.1. There is hereby appropriated out of any money in the State Treasury not otherwise appropriated, amounts from which the department shall make payments to each county on any support collections distributed on or after October 1, 1982, regardless of the date of collection, federal incentive funds on the amount received which qualify therefor. In addition, the department shall pay to each county on any support collections distributed on or after October 1, 1982, regardless of the date of collection, a state incentive of 7.5 percent. This amount shall be paid on collections used to reduce or repay aid which is paid pursuant to this chapter and for aid which is entitled to federal matching funds. In addition, a county may qualify for an additional incentive payment under Section 15200.7. These funds shall be deposited in the county general fund.

Where more than one county has participated in the enforcement or collection, the incentive payment authorized by this section shall be made to the county making the collection.

Where more than one state has participated in the enforcement or collection, the incentive payment, if any, shall be made in accordance with Section 15200.2.

SEC. 13. Section 15200.2 of the Welfare and Institutions Code is amended to read:

15200.2. There is hereby appropriated out of any money in the State Treasury not otherwise appropriated, amounts from which the department shall make payments to California counties and other states, on any support collections distributed on or after October 1, 1982, regardless of the date of collection, federal incentive funds on the amount received which qualify therefor. In addition, the department shall pay to each county on any support collections distributed on or after October 1, 1982, regardless of the date of collection, a state incentive of 7.5 percent. This amount shall be paid on collections used to reduce or repay aid which is paid pursuant to this chapter and for aid which is entitled to federal matching funds. In addition, a county may qualify for an additional incentive

payment under Section 15200.7.

The department shall, by regulation, apportion the incentive payment between the collecting state and the county receiving the support payment.

Where a county makes a collection for another state, the department shall forward any incentive payment received from such state to the county making the collection.

SEC. 14. Section 15200.3 of the Welfare and Institutions Code is amended to read:

15200.3. (a) There is hereby appropriated out of any money in the General Fund not otherwise appropriated, amounts from which the department shall make payments to the extent and as specified in subdivision (b) to counties on collections distributed on or after the effective date of this section, a state incentive of 7½ percent to be paid on amounts received for nonfederally funded foster care cases, including, but not limited to, collections made pursuant to Sections 903, 903.4, and 903.5. This incentive shall be paid on collections which are used to repay the state share of aid paid pursuant to this chapter which are not entitled to incentives pursuant to Sections 15200.1 and 15200.2.

(b) The state incentive provided in subdivision (a) for nonfederal foster care cases collections shall only apply to those statewide collections distributed in a fiscal year in excess of the 1982–83 budget projection. From the excess, 7½ percent of collections for nonfederal foster care cases shall be set aside for payment of these incentives. At the end of the fiscal year, payment to each county of the incentive money shall be in proportion to the percentage of the total nonfederal cases support collections for the state which each county has distributed. The percentage incentive specified in subdivision (a) shall not exceed the total incentive provided by the state for federal foster care cases at any time but shall automatically be adjusted for any reductions. Any remaining funds shall be credited to offset expenditures for AFDC-FC.

(c) The Legislature finds and declares that the state incentive provided pursuant to this section is sufficient to reimburse counties for court and all other costs incurred through enforcement of parental liability in nonfederally funded foster care cases.

SEC. 15. On the operative date of this section, all funds in the Social Welfare Federal Fund shall be transferred to the Federal Trust Fund.

SEC. 16. Sections 3 through 15, inclusive of this act, shall become operative on July 1, 1985.

CHAPTER 236

An act to add Section 1102.7 to the Penal Code, relating to criminal procedure.

[Approved by Governor June 26, 1984 Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1102.7 is added to the Penal Code, to read:

1102.7. Notwithstanding any other provision of law, the prosecution shall not be required to furnish to the defendant himself or herself, but only to his or her attorney, the address or telephone number of any victim or witness absent a showing of good cause as determined by the court, unless the defendant is acting as his or her own attorney.

CHAPTER 237

An act to amend Sections 74963, 74965, 74969, and 74970 of, and to add Article 21.6 (commencing with Section 74205) to Chapter 10 of Title 8 of, the Government Code, relating to courts.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Article 21.6 (commencing with Section 74205) is added to Chapter 10 of Title 8 of the Government Code, to read:

Article 21.6. South Sacramento

74205. This article applies to the municipal court established in a district formed by ordinance adopted pursuant to Section 71040 known as the South Sacramento County Judicial District. The district shall also be known as the South Sacramento County Municipal Court District.

74206. There shall be one judge.

74207. There shall be one chief clerk who shall be appointed by the judge of the court and who shall be secretary of the court. The chief clerk shall receive a biweekly salary at a rate specified in range 1063A. The position of chief clerk shall not be deemed to be a civil service position.

74208. There shall be the following positions for which the appointing authority shall be the judge of the court:

(a) Three deputy clerks who shall receive a biweekly salary at a

rate specified in range 804.

(b) One typist clerk II who shall receive a biweekly salary at a rate specified in range 585.

74209. The sheriff and the sheriff's deputies shall be ex officio the marshal and deputy marshals of the court and shall perform all the duties imposed and exercise all the powers conferred upon the marshal and deputy marshals of a municipal court.

74210. (a) All attachés and employees of the court shall be entitled to anniversary dates and salary step increases and shall receive the same vacation, sick leave, leave of absence, overtime, reinstatement, and similar privileges and benefits provided for the officers and employees of the County of Sacramento in the manner provided in the Sacramento County Personnel Ordinance or applicable agreements with recognized employee organizations. Rights provided by the county to return to formerly held employment in county civil service shall be applicable only to the position of chief clerk.

(b) Except as otherwise provided in this article, the provisions of the Sacramento County Charter relating to the civil service system of the county and the rules of the Sacramento County Civil Service Commission adopted pursuant thereto shall be applicable to all attachés and employees of the court in the same manner and to the same extent as applicable generally to the officers and employees of Sacramento County. The Sacramento County Civil Service Commission shall exercise the same jurisdiction over the attachés and employees of the court as it exercises over the officers and employees of the county.

(c) The provisions of subdivision (b) shall not apply to any officer or employee in a position which this article expressly provides is not to be deemed a part of county civil service.

(d) Whenever reference to a numbered salary range is made in any section of this article, the range referred to is one of the ranges provided for in Section 2.78.410(d) of the Sacramento County Personnel Ordinance.

74211. Upon recommendation of the judges of the court, and with approval of the board of supervisors, the court may appoint additional employees as it deems necessary for the performance of the duties and exercise of the powers conferred by law upon the court and its members. Any appointment made pursuant to this section shall be on an interim basis and shall expire January 1st of the second calendar year following the year in which the appointment is made unless ratified by the Legislature. This section shall not affect the application of Section 72150.

74212. Notwithstanding the provisions of Article 4 (commencing with Section 72150) of Chapter 8 of Title 8, and the provisions of this article, and in order to equalize the compensation of, and the classification of, employees of the court with the compensation paid to, and the classification of, county employees with commensurate duties and responsibilities, upon recommendation of the judges of

the court and with the approval of the Board of Supervisors of the County of Sacramento, an officer or an attaché of the court, whether appointed under the provisions of this article or under Article 4 (commencing with Section 72150) of Chapter 8 of Title 8, may be paid any compensation in excess of or less than the maximum to which the employee would otherwise be entitled under the schedules set forth in this article and there may also be a reclassification of the position of the employee. Any such salary adjustment or reclassification shall not extend longer than 90 days after the adjournment of the next succeeding regular session of the Legislature after the salary adjustment.

SEC. 1.5. Section 74963 of the Government Code is amended to read:

74963. There shall be one clerk of the court (subject to the provisions of Section 74968) who shall be appointed by the presiding judge of the municipal court and who shall hold office at the pleasure of the presiding judge. The clerk shall receive a monthly salary at a rate specified in range 19.61.

SEC. 2. Section 74965 of the Government Code is amended to read:

74965. The clerk (subject to the provisions of Section 74968) with the approval of the presiding judge may appoint:

(a) Three municipal court clerks III, each of whom shall receive a monthly salary at a rate specified in range 12.42.

(b) Ten municipal court clerks II, who shall receive a monthly salary at a rate specified in range 10.66.

(c) Four municipal court clerks I, each of whom shall receive a monthly salary at a rate specified in range 9.04, or four typist-clerks II, each of whom shall receive a monthly salary at a rate specified in range 8.82, or four typist-clerk I, each of whom shall receive a monthly salary at a rate specified in range 7.73. The combined total of positions in the municipal court clerk, typist-clerk II, and typist-clerk I classifications shall not exceed four positions, of which one shall be part-time not to exceed 20 hours per week.

(d) Two account clerks II, who shall receive a monthly salary at a rate specified in range 9.74, or two account clerks I, each of whom shall receive a monthly salary at a rate specified in range 8.86. The combined total of positions in the account clerk II and account clerk I classifications shall not exceed two positions, of which one shall be part-time not to exceed 20 hours per week.

(e) One interpreter clerk who shall receive a monthly salary at a rate specified in range 9.04.

SEC. 3. Section 74969 of the Government Code is amended to read:

74969. Whenever reference to a numbered salary range is made in any section of this article, the schedule of monthly salaries found in the salary resolution of the County of Yolo in effect on January 1, 1984, shall apply.

SEC. 4. Section 74970 of the Government Code is amended to

read:

74970. All officers and employees of the Yolo County Municipal Court shall be entitled to the same provisions with respect to retirement, vacations, and other benefits allowed to employees of the county, and be subject to the personnel regulations, memoranda of understanding, management benefit package, and the affirmative action plan of the County of Yolo as they exist on January 1, 1984.

SEC. 5. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

CHAPTER 238

An act relating to a nonprofit hospital in Santa Clara County, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 26, 1984 Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. (a) The Legislature finds that it is inappropriate and inexpedient to apply the net proceeds of sale of a nonprofit general acute care hospital in Santa Clara County for the benefit of similar institutions in that area because (1) there is currently a substantial excess hospital bed capacity in Santa Clara County; (2) existing public funds are available to a designated area hospital for indigent care; (3) direct primary grants to competing hospitals are barred by an agreement not to compete by provisions in the agreement to sell the hospital pursuant to Section 16601 of the Business and Professions Code; and (4) numerous difficulties will arise in attempting to make block grant disbursements of sale proceeds such as duplication of services, shortrun distortions in the level of charitable activity in the county, and especially the grave risk of waste and misallocation of funds in the absence of a procedure that will provide a steady flow of charitable grants, and subject grant applications to review by persons experienced with charitable foundations and sociomedical needs in the county to insure professional, efficient and effective money management, needs assessment, and funds distribution. The provisions of this act are, therefore, necessary for the public welfare.

(b) The Legislature declares that the purpose of this act is to resolve legal uncertainties existing as to the appropriate use of net proceeds of the hospital sale, by authorizing the establishment, in Santa Clara County, with those proceeds of a public benefit

corporation, under the laws of this state and as a tax exempt organization under Section 23701d of the Revenue and Taxation Code and Section 501(c)(3) of the Internal Revenue Code of the United States, by reason of being committed to acting permanently as a nonprofit foundation which is organized and operated exclusively for charitable, religious, educational, or scientific purposes, or any or all of those purposes, with a majority of its disbursed funds, measured in terms of its cumulative total grants over successive five-year periods, to be expended for health care and medical services for lower income households, as defined in Section 50079.5 of the Health and Safety Code.

SEC. 2. (a) Any nonprofit corporation organized and operated primarily for general acute care hospital purposes in the County of Santa Clara is hereby authorized to retain all funds remaining after the sale of its hospital facility and related medical office buildings, and establish provisions for debts and liabilities in accordance with law, provide for investment and disbursement of the funds and the income therefrom for charitable purposes, subject to qualifying as a public benefit corporation, under the laws of this state and as a tax exempt organization under Section 23701d of the Revenue and Taxation Code and Section 501(c)(3) of the Internal Revenue Code of the United States, by reason of being committed to acting permanently as a nonprofit foundation which is organized and operated exclusively for charitable, religious, educational, or scientific purposes, or any or all of those purposes, with a majority of its disbursed funds, measured in terms of its cumulative total grants over successive five-year periods, to be expended for health care and medical services for lower income households, as defined in Section 50079.5 of the Health and Safety Code, within Santa Clara County, provided that at the time of sale at least 95 percent of the hospital's net assets represent or are derived from accumulated unrestricted fund balances determined by excluding from unrestricted funds all gifts from any source and all governmental grants heretofore made to the hospital, and including in unrestricted funds, the excess of revenue over expenses from the inception of the hospital as a nonprofit corporation.

(b) The hospital shall be qualified to act as a nonprofit foundation from and after the effective date of this act, subject to meeting and continuing to meet all of the following requirements:

(1) It has amended its articles of incorporation by conforming to Section 5130 of the Corporations Code and by setting forth in its articles the charitable purposes set forth in subdivision (a).

(2) It has given notice to the Attorney General in accordance with Section 5913 of the Corporations Code, accompanied by proof of conformity with the net asset requirement set forth in subdivision (a) of this section in the form of a report thereof to the hospital by its independent auditors.

(3) All grants and gifts (A) shall be qualified as charitable in nature under all applicable federal and state statutes and (B) shall

be made either to (i) nonprofit organizations or (ii) to governmental institutions financed by public funds to assist the institutions in funding their charitable activities.

(4) No disbursements may be made which would fund (A) contractual allowances between insurance companies and health care providers, (B) program losses which accrue to health care providers, or (C) subsidize deductibles and coinsurance arrangements under medical and hospital care policies.

(5) There shall be filed with the Registry of Charitable Trusts pursuant to Section 12586 of the Government Code and the rules of the Attorney General issued under that section, (A) the annual financial statements of the foundation following each fiscal year, as audited by independent public accountants with their auditor's report thereon, and (B) in the year following each five-year period for measuring compliance with the requirement of subdivision (a) of Section 2 of this act, that a majority of funds be disbursed to lower income households, a special audited report verifying the compliance.

(c) If the nonprofit foundation formed pursuant to this act is dissolved, any remaining assets shall be disbursed for charitable, religious, educational, or scientific purposes, or any or all of those purposes, with a majority thereof provided for health care and medical services for lower income households, as defined in Section 50079.5 of the Health and Safety Code.

SEC. 3. This act shall remain in effect only until January 1, 1987, and as of that date is repealed.

Notwithstanding the repeal, any foundation created prior to January 1, 1987, pursuant to the qualifying requirements of this act, shall continue as a permanent foundation on and after January 1, 1987, as long as the foundation continues to meet the qualifying requirements.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The net proceeds of the sale of a nonprofit general acute care hospital in Santa Clara County are currently subject to a holding agreement, continuing until the date this act becomes effective, which bars the disbursement of any portion of the net proceeds or the income therefrom to worthwhile Santa Clara County charitable endeavors in urgent need of funding.

CHAPTER 239

An act to amend Section 14601.3 of the Vehicle Code, relating to vehicles.

[Approved by Governor June 26, 1984 Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 14601.3 of the Vehicle Code is amended to read:

14601.3. (a) It is unlawful for a person whose driving privilege has been suspended or revoked to accumulate a driving record history which results from driving during the period of suspension or revocation. A person who violates this subdivision is designated a habitual traffic offender.

For purposes of this section, a driving record history means any of the following, if the driving occurred during any period of suspension or revocation which resulted from a conviction of an offense or offenses of driving under the influence of alcohol or drugs, or both, or from negligent driving:

(1) Two or more convictions within a 12-month period of an offense given a violation point count of two pursuant to Section 12810.

(2) Three or more convictions within a 12-month period of an offense given a violation point count of one pursuant to Section 12810.

(3) Three or more accidents within a 12-month period that are subject to the reporting requirements of Section 16000.

(4) Any combination of convictions or accidents, as specified in paragraphs (1) to (3), inclusive, which results during any 12-month period in a violation point count of three or more pursuant to Section 12810.

(b) Knowledge of suspension or revocation of the driving privilege shall be presumed if notice has been given by the department to the person. The presumption established by this subdivision is a presumption affecting the burden of proof.

(c) The department, within 30 days of receipt of a duly certified abstract of the record of any court or accident report which results in a person being designated a habitual traffic offender, may execute and transmit by mail a notice of that designation to the office of the district attorney having jurisdiction over the location of the person's last known address as contained in the department's records.

(d) The district attorney, within 30 days of receiving the notice required in subdivision (c), shall inform the department of whether or not the person will be prosecuted for being a habitual traffic offender.

(e) Any person convicted under this section of being a habitual

traffic offender shall be punished as follows:

(1) Upon a first conviction, by imprisonment in the county jail for 30 days and by a fine of five hundred dollars ($500).

(2) Upon a second or any subsequent offense within seven years of a prior conviction under this section, by imprisonment in the county jail for 180 days and by a fine of one thousand dollars ($1,000).

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 240

An act to add Chapter 3 (commencing with Section 883.110) to Title 5 of Part 2 of Division 2 of, and to repeal Section 794 of, the Civil Code, relating to mineral rights.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 794 of the Civil Code is repealed.

SEC. 2. Chapter 3 (commencing with Section 883.110) is added to Title 5 of Part 2 of Division 2 of the Civil Code, to read:

CHAPTER 3. MINERAL RIGHTS

Article 1. General Provisions

883.110. As used in this chapter, "mineral right" means an interest in minerals, regardless of character, whether fugacious or nonfugacious, organic or inorganic, that is created by grant or reservation, regardless of form, whether a fee or lesser interest, mineral, royalty, or leasehold, absolute or fractional, corporeal or incorporeal, and includes express or implied appurtenant surface rights.

883.120. (a) This chapter does not apply to a mineral right reserved to the United States (whether in a patent, pursuant to federal law, or otherwise) or to an oil or gas lease, mining claim, or other mineral right of a person entitled pursuant thereto, to the extent provided in Section 880.240.

(b) This chapter does not apply to a mineral right of the state or a local public entity, or of any other person, to the extent provided

in Section 880.240.

883.130. Nothing in this chapter limits or affects the common law governing abandonment of a mineral right or any other procedure provided by statute for clearing an abandoned mineral right from title to real property.

883.140. (a) As used in this section:

(1) "Lessee" includes an assignee or other successor in interest of the lessee.

(2) "Lessor" includes a successor in interest or heir or grantee of the lessor.

(b) If the term of a mineral right lease has expired or a mineral right lease has been abandoned by the lessee, the lessee shall, within 30 days after demand therefor by the lessor, execute, acknowledge, and deliver, or cause to be recorded, a deed quitclaiming all interest in and to the mineral rights covered by the lease. If the expiration or abandonment covers less than the entire interest of the lessee, the lessee shall execute, acknowledge, and deliver an appropriate instrument or notice of surrender or termination that covers the interest that has expired or been abandoned.

(c) If the lessee fails to comply with the requirements of this section, the lessee is liable for all damages sustained by the lessor as a result of the failure, including, but not limited to, court costs and reasonable attorney's fees in an action to clear title to the lessor's interest. The lessee shall also forfeit to the lessor the sum of one hundred fifty dollars ($150).

(d) Nothing in this section makes a quitclaim deed or other instrument or notice of surrender or termination, or a demand therefor, a condition precedent to an action to clear title to the lessor's interest.

Article 2. Termination of Dormant Mineral Right

883.210. The owner of real property subject to a mineral right may bring an action to terminate the mineral right pursuant to this article if the mineral right is dormant.

883.220. For the purpose of this article, a mineral right is dormant if all of the following conditions are satisfied for a period of 20 years immediately preceding commencement of the action to terminate the mineral right:

(a) There is no production of the minerals and no exploration, drilling, mining, development, or other operations that affect the minerals, whether on or below the surface of the real property or on other property, whether or not unitized or pooled with the real property.

(b) No separate property tax assessment is made of the mineral right or, if made, no taxes are paid on the assessment.

(c) No instrument creating, reserving, transferring, or otherwise evidencing the mineral right is recorded.

883.230. (a) An owner of a mineral right may at any time record

a notice of intent to preserve the mineral right.

(b) In lieu of the statement of the character of the interest claimed and the record location of the documents creating or evidencing the mineral rights claimed as otherwise required by paragraph (2) of subdivision (b) of Section 880.330 and in lieu of the legal description of the real property in which the interest is claimed as otherwise required by paragraph (3) of subdivision (b) of Section 880.330 and notwithstanding the provisions of Section 880.340 or any other provision in this title, a notice of intent to preserve a mineral right may refer generally and without specificity to any or all mineral rights claimed by claimant in any real property situated in the county.

(c) A mineral right is not dormant for the purpose of this article if:

(1) A notice of intent to preserve the mineral right is recorded within 20 years immediately preceding commencement of the action to terminate the mineral right.

(2) A notice of intent to preserve the mineral right is recorded pursuant to Section 883.250 after commencement of the action to terminate the mineral right.

883.240. (a) An action to terminate a mineral right pursuant to this article shall be brought in the superior court of the county in which the real property subject to the mineral right is located.

(b) The action shall be brought in the same manner and shall be subject to the same procedure as an action to quiet title pursuant to Chapter 4 (commencing with Section 760.010) of Title 10 of Part 2 of the Code of Civil Procedure, to the extent applicable.

883.250. In an action to terminate a mineral right pursuant to this article, the court shall permit the owner of the mineral right to record a late notice of intent to preserve the mineral right as a condition of dismissal of the action, upon payment into court for the benefit of the owner of the real property the litigation expenses attributable to the mineral right or portion thereof as to which the notice is recorded. As used in this section, the term "litigation expenses" means recoverable costs and expenses reasonably and necessarily incurred in preparation for the action, including a reasonable attorney's fee.

883.260. A mineral right terminated pursuant to this article is unenforceable and is deemed to have expired. A court order terminating a mineral right pursuant to this article is equivalent for all purposes to a conveyance of the mineral right to the owner of the real property.

883.270. Subject to Section 880.370 (grace period for recording notice), this article applies to all mineral rights, whether executed or recorded before, on, or after January 1, 1985.

CHAPTER 241

An act to add Section 843 to the Civil Code, relating to real property.

[Approved by Governor June 26, 1984 Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 843 is added to the Civil Code, to read:

843. (a) If real property is owned concurrently by two or more persons, a tenant out of possession may establish an ouster from possession by a tenant in possession in the manner provided in this section. This section does not apply to the extent the tenant out of possession is not entitled to possession or an alternative remedy is provided under the terms of an agreement between the cotenants or the instrument creating the cotenancy or another written instrument that indicates the possessory rights or remedies of the cotenants. This section supplements and does not limit any other means by which an ouster may be established.

(b) A tenant out of possession may serve on a tenant in possession a written demand for concurrent possession of the property. The written demand shall make specific reference to this section and to the time within which concurrent possession must be offered under this section. Service of the written demand shall be made in the same manner as service of summons in a civil action. An ouster is established 60 days after service is complete if, within that time, the tenant in possession does not offer and provide unconditional concurrent possession of the property to the tenant out of possession.

(c) A claim for damages for an ouster established pursuant to this section may be asserted by an independent action or in an action for possession or partition of the property or another appropriate action or proceeding, subject to any applicable statute of limitation.

(d) Nothing in this section precludes the cotenants, at any time before or after a demand is served, from seeking partition of the property or from making an agreement as to the right of possession among the cotenants, the payment of reasonable rental value in lieu of possession, or any other terms that may be appropriate.

SEC. 2. This act applies to property acquired before, on, or after the operative date of the act.

CHAPTER 242

An act to add Section 6653.5 to the Fish and Game Code, relating to aquatic resources.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 6653.5 is added to the Fish and Game Code, to read:

6653.5. (a) The department may issue permits for the drying of agar-bearing marine plants subject to the regulations the commission may prescribe to provide for proper utilization of that resource.

(b) No person shall dry agar-bearing marine plants for profit unless the person has a permit issued under this section.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 243

An act to repeal Article 4 (commencing with Section 1154) of Chapter 3 of Title 4 of Part 4 of Division 2 of the Civil Code, to amend Sections 3400, 3410, 3412, 3413, 3602, 3611, 6245, 6246, 6341, 6348, and 6349 of, to amend the heading of Chapter 9 (commencing with Section 6340) of Part 1 of Division 6 of, to add Section 3303 to, to add Part 9 (commencing with Section 3900) to Division 4 of, and to repeal Sections 6340, 6342, 6343, 6344, and 6346 of, the Probate Code, relating to the Uniform Transfers to Minors Act.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984]

The people of the State of California do enact as follows:

SECTION 1. Article 4 (commencing with Section 1154) of Chapter 3 of Title 4 of Part 4 of Division 2 of the Civil Code is repealed.

SEC. 2. Section 3303 is added to the Probate Code, to read:

3303. Nothing in this part limits the provisions of the California Uniform Transfers to Minors Act, Part 9 (commencing with Section 3900).

SEC. 3. Section 3400 of the Probate Code is amended to read:

3400. (a) As used in this article, "total estate of the minor" includes both the money and other property belonging to the minor and the money and other property belonging to the guardianship estate, if any, of the minor.

(b) In computing the "total estate of the minor" for the purposes of this article, all of the following shall be deducted:

(1) "Custodial property" held pursuant to the California Uniform Transfers to Minors Act, Part 9 (commencing with Section 3900).

(2) Any money or property subject to court order pursuant to subdivision (c) of Section 3602 or Article 2 (commencing with Section 3610) of Chapter 4.

SEC. 4. Section 3410 of the Probate Code is amended to read:

3410. (a) This article applies to both of the following cases:

(1) Where the minor has a guardian of the estate and the sole asset of the guardianship estate is money.

(2) Where the minor has no guardian of the estate and there is money belonging to the minor.

(b) This article does not apply to, and there shall be excluded in computing "money belonging to the minor" for the purpose of this article, all of the following:

(1) Money or property which is or will be held as "custodial property" pursuant to the California Uniform Transfers to Minors Act, Part 9 (commencing with Section 3900).

(2) Any money or property subject to court order pursuant to subdivision (c) of Section 3602 or Article 2 (commencing with Section 3610) of Chapter 4.

SEC. 5. Section 3412 of the Probate Code is amended to read:

3412. If the minor has a guardian of the estate and the sole asset of the guardianship estate is money, the court may order that the guardianship of the estate be terminated and, if the court so orders, the court in its discretion shall also order any one or more of the following:

(a) That the money be deposited in a bank in this state or a trust company authorized to transact a trust business in this state or invested in an account in an insured savings and loan association or in shares of an insured credit union or in a single-premium deferred annuity, subject to withdrawal only upon authorization of the court.

(b) That all or any part of the money be transferred to a custodian for the benefit of the minor under the California Uniform Transfers to Minors Act, Part 9 (commencing with Section 3900).

(c) If the money of the guardianship estate does not exceed twenty thousand dollars ($20,000), that the money be held on such other conditions as the court in its discretion determines to be in the best interests of the minor.

(d) If the money of the guardianship estate does not exceed five thousand dollars ($5,000), that all or any part of the money be paid to a parent of the minor, without bond, upon the terms and under the conditions specified in Article 1 (commencing with Section 3400).

SEC. 6. Section 3413 of the Probate Code is amended to read:

3413. If the minor has no guardian of the estate and there is money belonging to the minor, the court may order that a guardian of the estate be appointed and that the money be paid to the

guardian or the court may order any one or more of the following:

(a) That the money be deposited in a bank in this state or in a trust company authorized to transact a trust business in this state or invested in an account in an insured savings and loan association or in shares of an insured credit union or in a single-premium deferred annuity, subject to withdrawal only upon authorization of the court.

(b) That all or any part of the money be transferred to a custodian for the benefit of the minor under the California Uniform Transfers to Minors Act, Part 9 (commencing with Section 3900).

(c) If the money belonging to the minor does not exceed twenty thousand dollars ($20,000), that the money be held on such other conditions as the court in its discretion determines to be in the best interests of the minor.

(d) If the money belonging to the minor does not exceed five thousand dollars ($5,000), that all or any part of the money be paid to a parent of the minor, without bond, upon the terms and under the conditions specified in Article 1 (commencing with Section 3400).

SEC. 7. Section 3602 of the Probate Code is amended to read:

3602. (a) If there is no guardianship of the estate of the minor or conservatorship of the estate of the incompetent person, the remaining balance of the money and other property (after payment of all expenses, costs, and fees as approved and allowed by the court under Section 3601) shall be paid, delivered, deposited, or invested as provided in Article 2 (commencing with Section 3610).

(b) Except as provided in subdivision (c), if there is a guardianship of the estate of the minor or conservatorship of the estate of the incompetent person, the remaining balance of the money and other property (after payment of all expenses, costs, and fees as approved and allowed by the court under Section 3601) shall be paid or delivered to the guardian or conservator of the estate. Upon application of the guardian or conservator, the court making the order or giving the judgment referred to in Section 3600 or the court in which the guardianship or conservatorship proceeding is pending may, with or without notice, make an order that all or part of the money paid or to be paid to the guardian or conservator under this subdivision be deposited or invested as provided in Section 2456.

(c) Upon ex parte petition of the guardian or conservator or upon petition of any person interested in the guardianship or conservatorship estate, the court making the order or giving the judgment referred to in Section 3600 may for good cause shown order either or both of the following:

(1) That all or part of the remaining balance of money not become a part of the guardianship or conservatorship estate and instead be deposited in a bank in this state or in a trust company authorized to transact a trust business in this state or invested in an account in an insured savings and loan association or in shares of an insured credit union or in a single-premium deferred annuity, subject to withdrawal only upon authorization of the court.

(2) If there is a guardianship of the estate of the minor, that all or part of the remaining balance of money and other property not become a part of the guardianship estate and instead be transferred to a custodian for the benefit of the minor under the California Uniform Transfers to Minors Act, Part 9 (commencing with Section 3900).

(d) If the petition is by a person other than the guardian or conservator, notice of hearing on a petition under subdivision (c) shall be given for the period and in the manner provided in Chapter 3 (commencing with Section 1460) of Part 1.

SEC. 8. Section 3611 of the Probate Code is amended to read:

3611. In any case described in Section 3610, the court making the order or giving the judgment referred to in Section 3600 shall order any one or more of the following:

(a) That a guardian of the estate or conservator of the estate be appointed and that the remaining balance of the money and other property be paid or delivered to the person so appointed.

(b) That the remaining balance of any money paid or to be paid be deposited in a bank in this state or in a trust company authorized to transact a trust business in this state or invested in an account in an insured savings and loan association or in shares of an insured credit union or in a single-premium deferred annuity, subject to withdrawal only upon the authorization of the court, and that the remaining balance of any other property delivered or to be delivered be held on such conditions as the court determines to be in the best interest of the minor or incompetent person.

(c) If the remaining balance of the money and other property to be paid or delivered does not exceed twenty thousand dollars ($20,000) in value, that all or any part of the money and other property be held on such other conditions as the court in its discretion determines to be in the best interest of the minor or incompetent person.

(d) If the remaining balance of the money and other property to be paid or delivered does not exceed five thousand dollars ($5,000) in value and is to be paid or delivered for the benefit of a minor, that all or any part of the money and the other property be paid or delivered to a parent of the minor, without bond, upon the terms and under the conditions specified in Article 1 (commencing with Section 3400) of Chapter 2.

(e) If the remaining balance of the money or other property to be paid or delivered is to be paid or delivered for the benefit of the minor, that all or any part of the money and other property be transferred to a custodian for the benefit of the minor under the California Uniform Transfers to Minors Act, Part 9 (commencing with Section 3900).

SEC. 9. Part 9 (commencing with Section 3900) is added to Division 4 of the Probate Code, to read:

PART 9. CALIFORNIA UNIFORM TRANSFERS TO MINORS ACT

3900. This part may be cited as the "California Uniform Transfers to Minors Act."

3901. In this part:

(a) "Adult" means an individual who has attained the age of 18 years.

(b) "Benefit plan" means an employer's plan for the benefit of an employee or partner.

(c) "Broker" means a person lawfully engaged in the business of effecting transactions in securities or commodities for the person's own account or for the account of others.

(d) "Conservator" means a person appointed or qualified by a court to act as general, limited, or temporary guardian of a minor's property or a person legally authorized to perform substantially the same functions.

(e) "Court" means the superior court.

(f) "Custodial property" means (1) any interest in property transferred to a custodian under this part and (2) the income from and proceeds of that interest in property.

(g) "Custodian" means a person so designated under Section 3909 or a successor or substitute custodian designated under Section 3918.

(h) "Financial institution" means a bank, trust company, savings institution, or credit union, chartered and supervised under state or federal law or an industrial loan company licensed and supervised under the laws of this state.

(i) "Legal representative" means an individual's personal representative or conservator.

(j) "Member of the minor's family" means the minor's parent, stepparent, spouse, grandparent, brother, sister, uncle, or aunt, whether of the whole or half blood or by adoption.

(k) "Minor" means:

(1) Except as provided in paragraph (2), an individual who has not attained the age of 18 years.

(2) When used with reference to the beneficiary for whose benefit custodial property is held or is to be held, an individual who has not attained the age at which the custodian is required under Sections 3920 and 3920.5 to transfer the custodial property to the beneficiary.

(*l*) "Person" means an individual, corporation, organization, or other legal entity.

(m) "Personal representative" means an executor, administrator, successor personal representative, or special administrator of a decedent's estate or a person legally authorized to perform substantially the same functions.

(n) "State" includes any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession subject to the legislative authority of the United States.

(o) "Transfer" means a transaction that creates custodial property under Section 3909.

(p) "Transferor" means a person who makes a transfer under this part.

(q) "Trust company" means a financial institution, corporation, or other legal entity, authorized to exercise general trust powers.

3902. (a) This part applies to a transfer that refers to this part in the designation under subdivision (a) of Section 3909 by which the transfer is made if at the time of the transfer, the transferor, the minor, or the custodian is a resident of this state or the custodial property is located in this state. The custodianship so created remains subject to this part despite a subsequent change in residence of a transferor, the minor, or the custodian, or the removal of custodial property from this state.

(b) A person designated as custodian under this part is subject to personal jurisdiction in this state with respect to any matter relating to the custodianship.

(c) A transfer that purports to be made and which is valid under the Uniform Transfers to Minors Act, the Uniform Gifts to Minors Act, or a substantially similar act, of another state is governed by the law of the designated state and may be executed and is enforceable in this state if at the time of the transfer, the transferor, the minor, or the custodian is a resident of the designated state or the custodial property is located in the designated state.

3903. (a) A person having the right to designate the recipient of property transferable upon the occurrence of a future event may revocably nominate a custodian to receive the property for a minor beneficiary upon the occurrence of the event by naming the custodian followed in substance by the words: "as custodian for _____ under the California Uniform

(Name of Minor)

Transfers to Minors Act." The nomination may name one or more persons as substitute custodians to whom the property must be transferred, in the order named, if the first nominated custodian dies before the transfer or is unable, declines, or is ineligible to serve. The nomination may be made in a will, a trust, a deed, an instrument exercising a power of appointment, or in a writing designating a beneficiary of contractual rights which is registered with or delivered to the payor, issuer, or other obligor of the contractual rights.

(b) A custodian nominated under this section must be a person to whom a transfer of property of that kind may be made under subdivision (a) of Section 3909.

(c) The nomination of a custodian under this section does not create custodial property until the nominating instrument becomes irrevocable or a transfer to the nominated custodian is completed under Section 3909. Unless the nomination of a custodian has been revoked, upon the occurrence of the future event, the custodianship becomes effective, and the custodian shall enforce a transfer of the

custodial property pursuant to Section 3909.

3904. A person may make a transfer by irrevocable gift to, or the irrevocable exercise of a power of appointment in favor of, a custodian for the benefit of a minor pursuant to Section 3909.

3905. (a) A personal representative or trustee may make an irrevocable transfer pursuant to Section 3909 to a custodian for the benefit of a minor as authorized in the governing will or trust.

(b) If the testator or settlor has nominated a custodian under Section 3903 to receive the custodial property, the transfer shall be made to that person.

(c) If the testator or settlor has not nominated a custodian under Section 3903, or all persons so nominated as custodian die before the transfer or are unable, decline, or are ineligible to serve, the personal representative or the trustee, as the case may be, shall designate the custodian from among those eligible to serve as custodian for property of that kind under subdivision (a) of Section 3909.

3906. (a) Subject to subdivision (c), a personal representative or trustee may make an irrevocable transfer to another adult or trust company as custodian for the benefit of a minor pursuant to Section 3909, in the absence of a will or under a will or trust that does not contain an authorization to do so.

(b) Subject to subdivision (c), a conservator may make an irrevocable transfer to another adult or trust company as custodian for the benefit of the minor pursuant to Section 3909.

(c) A transfer under subdivision (a) or (b) may be made only if all of the following requirements are satisfied:

(1) The personal representative, trustee, or conservator considers the transfer to be in the best interest of the minor.

(2) The transfer is not prohibited by or inconsistent with provisions of the applicable will, trust agreement, or other governing instrument.

(3) The transfer is authorized by the court if it exceeds ten thousand dollars ($10,000) in value.

3907. (a) Subject to subdivisions (b) and (c), a person not subject to Section 3905 or 3906 who holds property of, or owes a liquidated debt to, a minor not having a conservator may make an irrevocable transfer to a custodian for the benefit of the minor pursuant to Section 3909.

(b) If a person having the right to do so under Section 3903 has nominated a custodian under that section to receive the custodial property, the transfer shall be made to that person.

(c) If no custodian has been nominated under Section 3903, or all persons so nominated as custodian die before the transfer or are unable, decline, or are ineligible to serve, a transfer under this section may be made to an adult member of the minor's family or to a trust company unless the property exceeds ten thousand dollars ($10,000) in value.

3908. A written acknowledgment of delivery by a custodian constitutes a sufficient receipt and discharge for custodial property

transferred to the custodian pursuant to this part.

3909. (a) Custodial property is created and a transfer is made whenever any of the following occurs:

(1) An uncertificated security or a certificated security in registered form is either:

(A) Registered in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for _____
(Name of Minor)
under the California Uniform Transfers to Minors Act."

(B) Delivered if in certificated form, or any document necessary for the transfer of an uncertificated security is delivered, together with any necessary endorsement to an adult other than the transferor or to a trust company as custodian, accompanied by an instrument in substantially the form set forth in subdivision (b).

(2) Money is paid or delivered to a broker or financial institution for credit to an account in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for _____ under the California
(Name of Minor)
Uniform Transfers to Minors Act."

(3) The ownership of a life or endowment insurance policy or annuity contract is either:

(A) Registered with the issuer in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for _____ under the California
(Name of Minor)
Uniform Transfers to Minors Act."

(B) Assigned in a writing delivered to an adult other than the transferor or to a trust company whose name in the assignment is followed in substance by the words: "as custodian for _____ under the California
(Name of Minor)
Uniform Transfers to Minors Act."

(4) An irrevocable exercise of a power of appointment or an irrevocable present right to future payment under a contract is the subject of a written notification delivered to the payor, issuer, or other obligor that the right is transferred to the transferor, an adult other than the transferor, or a trust company, whose name in the notification is followed in substance by the words: "as custodian for _____ under the
(Name of Minor)
California Uniform Transfers to Minors Act."

(5) An interest in real property is recorded in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for _____ under the California Uniform
(Name of Minor)

Transfers to Minors Act."

(6) A certificate of title issued by a department or agency of a state or of the United States which evidences title to tangible personal property is either:

(A) Issued in the name of the transferor, an adult other than the transferor, or a trust company, followed in substance by the words: "as custodian for _____ under
(Name of Minor)
the California Uniform Transfers to Minors Act."

(B) Delivered to an adult other than the transferor or to a trust company, endorsed to that person followed in substance by the words: "as custodian for _____ under
(Name of Minor)
the California Uniform Transfers to Minors Act."

(7) An interest in any property not described in paragraphs (1) through (6) is transferred to an adult other than the transferor or to a trust company by a written instrument in substantially the form set forth in subdivision (b).

(b) An instrument in the following form satisfies the requirements of subparagraph (A) of paragraph (1) and paragraph (7) of subdivision (a):

"TRANSFER UNDER THE CALIFORNIA UNIFORM TRANSFERS TO MINORS ACT

I, _____
(Name of Transferor or Name and Representative Capacity if a Fiduciary)
hereby transfer to _____, as custodian
(Name of Custodian)
for _____ under the California
(Name of Minor)
Uniform Transfers to Minors Act, the following:
(insert a description of the custodial property sufficient to identify it).

Dated: _____

_____
(Signature)
_____ acknowledges receipt of the
(Name of Custodian)
property described above as custodian for the minor named above under the California Uniform Transfers to Minors Act.

Dated: _____

_____ "
(Signature of Custodian)

(c) A transferor shall place the custodian in control of the custodial property as soon as practicable.

3910. A transfer may be made only for one minor, and only one person may be the custodian. All custodial property held under this part by the same custodian for the benefit of the same minor constitutes a single custodianship.

3911. (a) The validity of a transfer made in a manner prescribed in this part is not affected by any of the following:

(1) Failure of the transferor to comply with subdivision (c) of Section 3909.

(2) Designation of an ineligible custodian, except designation of the transferor in the case of property for which the transferor is ineligible to serve as custodian under subdivision (a) of Section 3909.

(3) Death or incapacity of a person nominated under Section 3903 or designated under Section 3909 as custodian, or the disclaimer of the office by that person.

(b) A transfer made pursuant to Section 3909 is irrevocable, and the custodial property is indefeasibly vested in the minor, but the custodian has all the rights, powers, duties, and authority provided in this part, and neither the minor nor the minor's legal representative has any right, power, duty, or authority with respect to the custodial property except as provided in this part.

(c) By making a transfer, the transferor incorporates in the disposition all the provisions of this part and grants to the custodian, and to any third person dealing with a person designated as custodian, the respective powers, rights, and immunities provided in this part.

(d) A person is not precluded from being a custodian for a minor under this part with respect to some property because the person is a conservator of the minor with respect to other property.

(e) A person who is the conservator of the minor is not precluded from being a custodian for a minor under this part because the custodial property has or will be transferred to the custodian from the guardianship estate of the minor. In such case, for the purposes of Section 3909, the custodian shall be deemed to be "an adult other than the transferor."

(f) In the cases described in subdivisions (d) and (e), with respect to the property transferred to the custodian, this part applies to the extent it would apply if the person to whom the custodial property is transferred were not and had not been a conservator of the minor.

3912. (a) A custodian shall do all of the following:

(1) Take control of custodial property.

(2) Register or record title to custodial property if appropriate.

(3) Collect, hold, manage, invest, and reinvest custodial property.

(b) In dealing with custodial property, a custodian shall observe the standard of care that would be observed by a prudent person dealing with property of another and is not limited by any other statute restricting investments by fiduciaries except that:

(1) If a custodian is not compensated for his or her services, the custodian is not liable for losses to custodial property unless they result from the custodian's bad faith, intentional wrongdoing, or gross negligence, or from the custodian's failure to maintain the standard of prudence in investing the custodial property provided in this section.

(2) A custodian, in the custodian's discretion and without liability to the minor or the minor's estate, may retain any custodial property received from a transferor.

(c) A custodian may invest in or pay premiums on life insurance or endowment policies on (1) the life of the minor only if the minor or the minor's estate is the sole beneficiary or (2) the life of another person in whom the minor has an insurable interest only to the extent that the minor, the minor's estate, or the custodian in the capacity of custodian, is the irrevocable beneficiary.

(d) A custodian at all times shall keep custodial property separate and distinct from all other property in a manner sufficient to identify it clearly as custodial property of the minor. Custodial property consisting of an undivided interest is so identified if the minor's interest is held as a tenant in common and is fixed. Custodial property subject to recordation is so identified if it is recorded, and custodial property subject to registration is so identified if it is either registered, or held in an account designated, in the name of the custodian, followed in substance by the words: "as a custodian for _____ under the
(Name of Minor)
California Uniform Transfers to Minors Act."

(e) A custodian shall keep records of all transactions with respect to custodial property, including information necessary for the preparation of the minor's tax returns, and shall make them available for inspection at reasonable intervals by a parent or legal representative of the minor or by the minor if the minor has attained the age of 14 years.

3913. (a) A custodian, acting in a custodial capacity, has all the rights, powers, and authority over custodial property that unmarried adult owners have over their own property, but a custodian may exercise those rights, powers, and authority in that capacity only.

(b) This section does not relieve a custodian from liability for breach of Section 3912.

3914. (a) A custodian may deliver or pay to the minor or expend for the minor's benefit as much of the custodial property as the custodian considers advisable for the use and benefit of the minor, without court order and without regard to (1) the duty or ability of the custodian personally, or of any other person, to support the minor or (2) any other income or property of the minor which may be applicable or available for that purpose.

(b) On petition of an interested person or the minor if the minor

has attained the age of 14 years, the court may order the custodian to deliver or pay to the minor or expend for the minor's benefit so much of the custodial property as the court considers advisable for the use and benefit of the minor.

(c) A delivery, payment, or expenditure under this section is in addition to, not in substitution for, and does not affect, any obligation of a person to support the minor.

(d) In lieu of the powers and duties described in subdivision (a), a transferor who is also the custodian may elect to govern his or her custodial powers and duties under this subdivision. If such election is made, the custodian shall not pay over to the minor for expenditure by the minor, and shall not expend for the minor's use or benefit, any part of the custodial property for any purpose prior to the time specified in Section 3920, except by order of the court upon a showing that the expenditure is necessary for the support, maintenance, or education of the minor. When the powers and duties of the custodian are governed by this subdivision, the transferor-custodian shall file with the clerk of the court a declaration in substantially the following form:

Declaration Under the California
Uniform Transfers to Minors Act

I, _____ ,
(Name of Transferor-Custodian)
as custodian for_____ under the
(Name of Minor)
California Uniform Transfers to Minors Act, hereby irrevocably elect to be governed under subdivision (d) of Section 3914 of the Probate Code in my custodial capacity over the following described property

_____

_____.
(Description of Custodial Property)

I declare under penalty of perjury that the foregoing is true and correct.

Dated: _____, 19__

_____
(Signature of Transferor-Custodian)

3915. (a) A custodian is entitled to reimbursement from custodial property for reasonable expenses incurred in the performance of the custodian's duties.

(b) Except for one who is a transferor under Section 3904, a custodian has a noncumulative election during each calendar year to charge reasonable compensation for services performed during that year.

(c) Except as provided in subdivision (f) of Section 3918, a custodian need not give a bond.

3916. A third person in good faith and without court order may

act on the instructions of, or otherwise deal with, any person purporting to make a transfer or purporting to act in the capacity of a custodian and, in the absence of knowledge, is not responsible for determining any of the following:

(a) The validity of the purported custodian's designation.

(b) The propriety of, or the authority under this part for, any act of the purported custodian.

(c) The validity or propriety under this part of any instrument or instructions executed or given either by the person purporting to make a transfer or by the purported custodian.

(d) The propriety of the application of any property of the minor delivered to the purported custodian.

3917. (a) A claim based on (1) a contract entered into by a custodian acting in a custodial capacity, (2) an obligation arising from the ownership or control of custodial property, or (3) a tort committed during the custodianship, may be asserted against the custodial property by proceeding against the custodian in the custodial capacity, whether or not the custodian or the minor is personally liable therefor.

(b) A custodian is not personally liable for either of the following:

(1) On a contract properly entered into in the custodial capacity unless the custodian fails to reveal that capacity and to identify the custodianship in the contract.

(2) For an obligation arising from control of custodial property or for a tort committed during the custodianship unless the custodian is personally at fault.

(c) A minor is not personally liable for an obligation arising from ownership of custodial property or for a tort committed during the custodianship unless the minor is personally at fault.

3918. (a) A person nominated under Section 3903 or designated under Section 3909 as custodian may decline to serve by delivering a valid disclaimer under Division 2.5 (commencing with Section 260) to the person who made the nomination or to the transferor or the transferor's legal representative. If the event giving rise to a transfer has not occurred and no substitute custodian able, willing, and eligible to serve was nominated under Section 3903, the person who made the nomination may nominate a substitute custodian under Section 3903; otherwise the transferor or the transferor's legal representative shall designate a substitute custodian at the time of the transfer, in either case from among the persons eligible to serve as custodian for that kind of property under subdivision (a) of Section 3909. The custodian so designated has the rights of a successor custodian.

(b) A custodian at any time may designate a trust company or an adult other than a transferor under Section 3904 as successor custodian by executing and dating an instrument of designation before a subscribing witness other than the successor. If the instrument of designation does not contain or is not accompanied by the resignation of the custodian, the designation of the successor does

not take effect until the custodian resigns, dies, becomes incapacitated, or is removed.

(c) A custodian may resign at any time by delivering written notice to the minor if the minor has attained the age of 14 years and to the successor custodian and by delivering the custodial property to the successor custodian.

(d) If a custodian is ineligible, dies, or becomes incapacitated without having effectively designated a successor and the minor has attained the age of 14 years, the minor may designate as successor custodian, in the manner prescribed in subdivision (b), an adult member of the minor's family, a conservator of the minor, or a trust company. If the minor has not attained the age of 14 years or fails to act within 60 days after the ineligiblity, death, or incapacity, the conservator of the minor becomes successor custodian. If the minor has no conservator or the conservator declines to act, the transferor, the legal representative of the transferor or of the custodian, an adult member of the minor's family, or any other interested person may petition the court to designate a successor custodian.

(e) A custodian who declines to serve under subdivision (a) or resigns under subdivision (c), or the legal representative of a deceased or incapacitated custodian, as soon as practicable, shall put the custodial property and records in the possession and control of the successor custodian. The successor custodian by action may enforce the obligation to deliver custodial property and records and becomes responsible for each item as received.

(f) A transferor, the legal representative of a transferor, an adult member of the minor's family, a guardian of the person of the minor, the conservator of the minor, or the minor if the minor has attained the age of 14 years, may petition the court to remove the custodian for cause and to designate a successor custodian other than a transferor under Section 3904 or to require the custodian to give appropriate bond.

(g) Upon the filing of a petition under subdivision (d) or (f), the court shall grant an order, directed to the persons and returnable on such notice as the court may require, to show cause why the relief prayed for in the petition should not be granted and, in due course, grant such relief as the court finds to be in the best interests of the minor.

3919. (a) A minor who has attained the age of 14 years, the minor's guardian of the person or legal representative, an adult member of the minor's family, a transferor, or a transferor's legal representative may petition the court for any of the following:

(1) An accounting by the custodian or the custodian's legal representative.

(2) A determination of responsibility, as between the custodial property and the custodian personally, for claims against the custodial property unless the responsibility has been adjudicated in an action under Section 3917 to which the minor or the minor's legal representative was a party.

(b) A successor custodian may petition the court for an accounting by the predecessor custodian.

(c) The court, in a proceeding under this part or in any other proceeding, may require or permit the custodian or the custodian's legal representative to account.

(d) If a custodian is removed under subdivision (f) of Section 3918, the court shall require an accounting and order delivery of the custodial property and records to the successor custodian and the execution of all instruments required for transfer of the custodial property.

(e) The right to petition for an accounting shall continue for one year after the filing of a final accounting by the custodian or the custodian's legal representative and delivery of the custodial property to the minor or the minor's estate.

3920. The custodian shall transfer in an appropriate manner the custodial property to the minor or to the minor's estate upon the earlier of the following:

(a) The minor's attainment of 18 years of age unless the time of transfer of the custodial property to the minor is delayed under Section 3920.5 to a time after the time the minor attains the age of 18 years.

(b) The time specified in the transfer pursuant to Section 3909 if the time of transfer of the custodial property to the minor is delayed under Section 3920.5 to a time after the time the minor attains the age of 18 years.

(c) The minor's death.

3920.5. (a) Subject to the requirements and limitations of this section, the time for transfer to the minor of custodial property transferred under or pursuant to Section 3903, 3904, or 3905 may be delayed until a specified time after the time the minor attains the age of 18 years, which time shall be specified in the transfer pursuant to Section 3909.

(b) To specify a delayed time for transfer to the minor of the custodial property, the words "as custodian for

_____ until age
(Name of Minor)

_____
(Age for Delivery of Property to Minor)

under the California Uniform Transfers to Minors Act" shall be substituted in substance for the words "as custodian for

_____ under the California
(Name of Minor)

Uniform Transfers to Minors Act" in making the transfer pursuant to Section 3909.

(c) The time for transfer to the minor of custodial property transferred under or pursuant to Section 3903 or 3905 may be delayed under this section only if the governing will or trust or nomination

provides in substance that the custodianship is to continue until the time the minor attains a specified age, which time may not be later than the time the minor attains 25 years of age, and in that case the governing will or trust or nomination shall determine the time to be specified in the transfer pursuant to Section 3909.

(d) The time for transfer to the minor of custodial property transferred by the irrevocable exercise of a power of appointment under Section 3904 may be delayed under this section only if the transfer pursuant to Section 3909 provides in substance that the custodianship is to continue until the time the minor attains a specified age, which time may not be later than the time the minor attains 25 years of age.

(e) The time for transfer to the minor of custodial property transferred by irrevocable gift under Section 3904 may be delayed under this section only if the transfer pursuant to Section 3909 provides in substance that the custodianship is to continue until the time the minor attains a specified age, which time may not be later than the time the minor attains 21 years of age.

(f) If the transfer pursuant to Section 3909 does not specify any age, the time for the transfer of the custodial property to the minor under Section 3920 is the time when the minor attains 18 years of age.

(g) If the transfer pursuant to Section 3909 provides in substance that the duration of the custodianship is for a time longer than the maximum time permitted by this section for the duration of a custodianship created by that type of transfer, the custodianship shall be deemed to continue only until the time the minor attains the maximum age permitted by this section for the duration of a custodianship created by that type of transfer.

3921. Subject to the power of the court to transfer actions and proceedings as provided in the Code of Civil Procedure, a petition filed under this part shall be heard and proceedings thereon held in the superior court in the proper county, which shall be determined as follows:

(a) If the minor resides in this state, in either of the following counties:

(1) Where the minor resides.

(2) Where the custodian resides.

(b) If the minor does not reside within this state, in any of the following counties:

(1) Where the transferor resides.

(2) Where the custodian resides.

(3) Where the estate of a deceased or legally incapacitated custodian is being administered.

(4) Where a parent of the minor resides.

(c) If neither the minor, nor the transferor, nor any parent resides within this state, and no estate of a deceased or legally incapacitated custodian is being administered within this state, in any county.

3922. This part applies to a transfer within the scope of Section 3902 made on or after January 1, 1985, if either of the following

requirements is satisfied:

(a) The transfer purports to have been made under the California Uniform Gifts to Minors Act.

(b) The instrument by which the transfer purports to have been made uses in substance the designation "as custodian under the Uniform Gifts to Minors Act" or "as custodian under the Uniform Transfers to Minors Act" of any other state, and the application of this part is necessary to validate the transfer.

3923. (a) As used in this section, "California Uniform Gifts to Minors Act" means former Article 4 (commencing with Section 1154) of Chapter 3 of Title 4 of Part 4 of Division 2 of the Civil Code.

(b) Any transfer of custodial property, as now defined in this part, made before January 1, 1985, is validated, notwithstanding that there was no specific authority in the California Uniform Gifts to Minors Act for the coverage of custodial property of that kind or for a transfer from that source at the time the transfer was made.

(c) This part applies to all transfers made before January 1, 1985, in a manner and form prescribed in the California Uniform Gifts to Minors Act, except insofar as the application impairs constitutionally vested rights.

(d) To the extent that this part, by virtue of subdivision (c), does not apply to transfers made in a manner prescribed in the California Uniform Gifts to Minors Act or to the powers, duties, and immunities conferred by transfers in that manner upon custodians and persons dealing with custodians, the repeal of the California Uniform Gifts to Minors Act does not affect those transfers or those powers, duties, and immunities.

3924. This part shall be applied and construed to effectuate its general purpose to make uniform the law with respect to the subject of this part among states enacting it.

3925. This part shall not be construed as providing an exclusive method for making gifts or other transfers to minors.

SEC. 9.2. Section 6245 of the Probate Code is amended to read:

6245. The mandatory clauses of all California statutory wills are as follows:

(a) INTESTATE DISPOSITION. If the testator has not made an effective disposition of the residuary estate, the executor shall distribute it to the testator's heirs at law, their identities and respective shares to be determined according to the laws of the State of California in effect on the date of the testator's death relating to intestate succession.

(b) POWERS OF EXECUTOR. (1) In addition to any powers now or hereafter conferred upon executors by law, including all powers granted under the Independent Administration of Estates Act, the executor shall have the power to: (A) sell estate assets at public or private sale, for cash or on credit terms, (B) lease estate assets without restriction as to duration, and (C) invest any surplus moneys of the estate in real or personal property, as the executor deems advisable.

(2) The executor may distribute estate assets otherwise distributable to a minor beneficiary to (A) the guardian of the minor's person or estate, (B) any adult person with whom the minor resides and who has the care, custody, or control of the minor, or (C) a custodian, serving on behalf of the minor under the Uniform Gifts to Minors Act of any state or the Uniform Transfers to Minors Act of any state.

The executor is free of liability and is discharged from any further accountability for distributing assets in compliance with the provisions of this paragraph.

(3) On any distribution of assets from the estate, the executor shall have the discretion to partition, allot, and distribute the assets (A) in kind, including undivided interests in an asset or in any part of it, or (B) partly in cash and partly in kind, or (C) entirely in cash. If a distribution is being made to more than one beneficiary, the executor shall have the discretion to distribute assets among them on a pro rata or non-pro rata basis, with the assets valued as of the date of distribution.

(c) POWERS OF GUARDIAN. A guardian of the person nominated in the California statutory will shall have the same authority with respect to the person of the ward as a parent having legal custody of a child would have. A guardian of the estate nominated in a California statutory will shall have all of the powers conferred by law. All powers granted to guardians in this paragraph may be exercised without court authorization.

SEC. 9.3. Section 6246 of the Probate Code is amended to read:

6246. In addition to the mandatory clauses contained in Section 6245, the California statutory will with trust form shall also incorporate the following mandatory clauses:

(a) INEFFECTIVE DISPOSITION. If, at the termination of any trust created in the California statutory will with trust, there is no effective disposition of the remaining trust assets, then the trustee shall distribute those assets to the testator's then living heirs at law, their identities and respective shares to be determined as though the testator had died on the date of the trust's termination and according to the laws of the State of California then in effect relating to intestate succession.

(b) POWERS OF TRUSTEE. (1) In addition to any powers now or hereafter conferred upon trustees by law, the trustee shall have all the powers listed in Section 1120.2. The trustee may exercise those powers without court authorization.

(2) In addition to the powers granted in the foregoing paragraph, the trustee may:

(A) Hire and pay from the trust the fees of investment advisors, accountants, tax advisors, agents, attorneys, and other assistants for the administration of the trust and for the management of any trust asset and for any litigation affecting the trust.

(B) On any distribution of assets from the trust, the trustee shall have the discretion to partition, allot, and distribute the assets (i) in

kind, including undivided interests in an asset or in any part of it, or (ii) partly in cash and partly in kind, or (iii) entirely in cash. If a distribution is being made to more than one beneficiary, the trustee shall have the discretion to distribute assets among them on a pro rata or non-pro rata basis, with the assets valued as of the date of distribution.

(C) The trustee may, upon termination of the trust, distribute assets to a custodian for a minor beneficiary under the Uniform Gifts to Minors Act of any state or the Uniform Transfers to Minors Act of any state.

(3) The trustee is free of liability and is discharged from any further accountability for distributing assets in compliance with the provisions of this paragraph.

(c) TRUST ADMINISTRATIVE PROVISIONS. The following provisions shall apply to any trust created by a California statutory will with trust:

(1) The interests of trust beneficiaries are not transferable by voluntary or involuntary assignment or by operation of law and shall be free from the claims of creditors and from attachment, execution, bankruptcy, or other legal process to the fullest extent permissible by law.

(2) The trustee is entitled to reasonable compensation for ordinary and extraordinary services, and for all services in connection with the complete or partial termination of any trust created by this will.

(3) All persons who have any interest in a trust under a California statutory will with trust are bound by all discretionary determinations the trustee makes in good faith under the authority granted in the California statutory will with trust.

SEC. 9.5. The heading of Chapter 9 (commencing with Section 6340) of Part 1 of Division 6 of the Probate Code is amended to read:

CHAPTER 9. DEVISE SUBJECT TO CALIFORNIA UNIFORM TRANSFERS TO MINORS ACT

SEC. 10. Section 6340 of the Probate Code is repealed.

SEC. 11. Section 6341 of the Probate Code is amended to read:

6341. If a testator's will provides that devised property shall be paid or delivered or transferred to a custodian subject to the California Uniform Gifts to Minors Act or the California Uniform Transfers to Minors Act:

(a) All of the provisions of the California Uniform Transfers to Minors Act, Part 9 (commencing with Section 3900) of Division 4, including, but not limited to, the definitions and the provisions concerning powers, rights, and immunities contained in that act, are applicable to the devise during the period prior to distribution of the property.

(b) Unless the will clearly requires otherwise, if the person named as the beneficiary for whose benefit the custodial property is to be

held attains the age at which the custodianship was to terminate prior to the order of distribution, the devise shall be deemed to be a direct devise to the person named as the beneficiary for whose benefit the custodial property was to be held.

(c) The executor or administrator of the testator's estate, upon entry of an order for distribution, shall make distribution pursuant to the order for distribution by transferring the devised property in the form and manner provided by the California Uniform Transfers to Minors Act.

(d) If a vacancy in the custodianship exists prior to full distribution of the devised property by the executor or administrator, a successor custodian shall be appointed for any undistributed property in the manner provided by the California Uniform Transfers to Minors Act.

SEC. 12. Section 6342 of the Probate Code is repealed.

SEC. 13. Section 6343 of the Probate Code is repealed.

SEC. 14. Section 6344 of the Probate Code is repealed.

SEC. 15. Section 6346 of the Probate Code is repealed.

SEC. 16. Section 6348 of the Probate Code is amended to read:

6348. Until distribution of the property pursuant to an order for distribution is completed, the court in which administration of the estate of the testator is pending has exclusive jurisdiction over all proceedings and matters concerning undistributed property, including, but not limited to, the appointment, declination, resignation, removal, bonding, and compensation of, and the delivery or transfer of the undistributed property to, a custodian. After distribution of any property is completed, the court has no further jurisdiction over the distributed property and the property shall be held subject to the California Uniform Transfers to Minors Act.

SEC. 17. Section 6349 of the Probate Code is amended to read:

6349. (a) This chapter shall not be construed as providing an exclusive method for making devises to or for the benefit of minors.

(b) Nothing in this chapter limits any provision of the California Uniform Transfers to Minors Act, Part 9 (commencing with Section 3900) of Division 4.

CHAPTER 244

An act to add Section 43002.2 to the Health and Safety Code, relating to air pollution, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 43002.2 is added to the Health and Safety Code, to read:

43002.2. The state board shall waive the provisions of this division on a case-by-case basis for the purpose of allowing the importation of vehicles designed only for use for disabled persons.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for the provisions of this act relating to importation of special vehicles for disabled persons to take effect as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 245

An act to add Section 10101.5 to the Health and Safety Code, relating to vital statistics.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 10101.5 is added to the Health and Safety Code, to read:

10101.5. For those live births occurring in a hospital, and upon a parent's request, a footprint shall be taken of the child prior to discharge from the facility and shall be made available to the parents. The footprint shall be placed on a sheet of paper which is separate from the birth certificate, shall only be prepared for the parents prior to discharge from the hospital, and need not be retained or kept on file.

SEC. 2. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 3. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

CHAPTER 246

An act to repeal Sections 39036, 43003, and 43103 of the Health and Safety Code, and to amend Sections 4000.1 and 24007 of, and to repeal Section 9250.5 of, the Vehicle Code, relating to air pollution.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 39036 of the Health and Safety Code is repealed.

SEC. 2. Section 43003 of the Health and Safety Code is repealed.

SEC. 3. Section 43103 of the Health and Safety Code is repealed.

SEC. 4. Section 4000.1 of the Vehicle Code is amended to read:

4000.1. (a) Except as otherwise provided in subdivision (b), (c), or (d) of this section, or subdivision (b) of Section 43654 of the Health and Safety Code, the department shall require upon initial registration, and upon transfer of ownership and registration, of any motor vehicle subject to Part 5 (commencing with Section 43000) of Division 26 of the Health and Safety Code, and upon registration of a motor vehicle previously registered outside this state which is subject to those provisions of the Health and Safety Code, a valid certificate of compliance or a certificate of noncompliance, as appropriate, issued in accordance with Section 44015 of the Health and Safety Code or with Section 9889.18 or 9889.56 of the Business and Professions Code.

(b) With respect to new vehicles certified pursuant to Chapter 2 (commencing with Section 43100) of Part 5 of Division 26 of the Health and Safety Code, the department shall accept a statement completed pursuant to subdivision (b) of Section 24007 in lieu of the certificate of compliance.

(c) For purposes of determining the validity of a certificate of compliance or noncompliance submitted in compliance with the requirements of this section, the definitions of new and used motor vehicle contained in Chapter 2 (commencing with Section 39010) of Part 1 of Division 26 of the Health and Safety Code control.

(d) Subdivision (a) does not apply to a transfer of ownership and registration when:

(1) The transferor is either the parent, grandparent, child, grandchild, or spouse of the transferee.

(2) A vehicle registered to a sole proprietorship is transferred to the proprietor as owner.

(3) The transfer is between companies whose principal business is leasing vehicles, if there is no change in the lessee or operator of the vehicle.

(e) The State Air Resources Board, under Part 5 (commencing with Section 43000) of Division 26 of the Health and Safety Code,

may exempt designated classifications of motor vehicles from the provisions of subdivision (a) as it deems necessary, and shall notify the department of that action.

SEC. 5. Section 9250.5 of the Vehicle Code is repealed.

SEC. 6. Section 24007 of the Vehicle Code is amended to read:

24007. (a) No dealer or person holding a retail seller's permit shall sell a new or used vehicle which is not in compliance with the provisions of this code and departmental regulations adopted pursuant to this code, unless the vehicle is (1) sold to another dealer, (2) sold for the purpose of being wrecked or dismantled, or (3) sold exclusively for off-highway use.

(b) No person shall sell, or offer or deliver for sale, to the ultimate purchaser a new or used motor vehicle, as those terms are defined in Chapter 2 (commencing with Section 39010) of Part 1 of Division 26 of the Health and Safety Code, subject to Part 5 (commencing with Section 43000) of that Division 26 which is not in compliance with the provisions of that Part 5 and the rules and regulations of the State Air Resources Board, unless the vehicle is either (1) sold to a dealer, or (2) sold for the purpose of being wrecked or dismantled. With each application for initial registration of a new motor vehicle or transfer of registration of a motor vehicle subject to that Part 5, a dealer shall transmit to the Department of Motor Vehicles a valid certificate of compliance from a licensed motor vehicle pollution control device installation and inspection station indicating that the vehicle is properly equipped with a certified device or devices which are in proper operating condition and which are in compliance with the provisions of that Part 5 and the rules and regulations of the state board.

With respect to new vehicles certified pursuant to Chapter 2 (commencing with Section 43100) of Part 5 of Division 26 of the Health and Safety Code, a dealer may transmit, in lieu of a certificate of compliance, a statement, in a form and containing information deemed necessary and appropriate by the Director of Motor Vehicles and the Executive Officer of the State Air Resources Board, to attest to the vehicles compliance with the provisions of that Chapter 2. The statement shall be certified under penalty of perjury, and shall be signed by the dealer or the dealer's authorized representative.

CHAPTER 247

An act to amend Sections 3014, 3060, and 25650.5 of the Vehicle Code, relating to vehicles.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 3014 of the Vehicle Code is amended to read:

3014. The department shall provide the board with the services, as secretary, of a qualified, trained person, who shall, subject to civil service requirements, devote as much time as may be necessary to discharge the functions of the board as herein provided. In addition, the board may appoint an assistant secretary, who shall be exempt from civil service. The department, in addition, shall provide the board with the necessary personnel, office space, equipment, supplies, and services which, in the opinion of the board, may be necessary to administer this chapter. However, the board may contract with the department or another state agency for office space, equipment, supplies, and services, as determined by the board to be appropriate, for the administration of this chapter.

SEC. 2. Section 3060 of the Vehicle Code is amended to read:

3060. Notwithstanding Section 20999.1 of the Business and Professions Code or the terms of any franchise, no franchisor shall terminate or refuse to continue any existing franchise unless all of the following conditions are met:

(a) The franchisee and the board have received written notice from the franchisor as follows:

(1) Sixty days before the effective date thereof setting forth the specific grounds for termination or refusal to continue.

(2) Fifteen days before the effective date thereof setting forth the specific grounds with respect to any of the following:

(A) Transfer of any ownership or interest in the franchise without the consent of the franchisor, which consent shall not be unreasonably withheld.

(B) Misrepresentation by the franchisee in applying for the franchise.

(C) Insolvency of the franchisee, or filing of any petition by or against the franchisee under any bankruptcy or receivership law.

(D) Any unfair business practice after written warning thereof.

(E) Failure of the motor vehicle dealer to conduct its customary sales and service operations during its customary hours of business for seven consecutive business days, giving rise to a good faith belief on the part of the franchisor that the motor vehicle dealer is in fact going out of business, except for circumstances beyond the direct control of the motor vehicle dealer or by order of the department.

(3) The written notice shall contain, on the first page thereof, a conspicuous statement which reads as follows: "NOTICE TO DEALER: You may be entitled to file a protest with the NEW MOTOR VEHICLE BOARD in Sacramento and have a hearing on your protest under the terms of the California Vehicle Code if you oppose this action. It is important that you act promptly."

(b) The board finds that there is good cause for termination or refusal to continue, following a hearing called pursuant to Section

3066. The franchisee may file a protest with the board within 30 days after receiving a 60-day notice or within 10 days after receiving a 15-day notice. When a protest is filed, the board shall advise the franchisor that a timely protest has been filed, that a hearing is required pursuant to Section 3066, and that the franchisor may not terminate or refuse to continue until the board makes its findings.

(c) The franchisor has received the written consent of the franchisee, or the appropriate period for filing a protest has elapsed.

The franchisor shall not modify or replace a franchise with a succeeding franchise if the modification or replacement would substantially affect the franchisee's sales or service obligations or investment, unless the franchisor has first given the board and each affected franchisee notice thereof at least 60 days in advance of the modification or replacement. Within 30 days of receipt of the notice, a franchisee may file a protest with the board and the modification or replacement does not become effective until there is a finding by the board that there is good cause for the modification or replacement. If, however, a replacement franchise is the successor franchise to an expiring or expired term franchise, the prior franchise shall continue in effect until resolution of the protest by the board. In the event of multiple protests, hearings shall be consolidated to expedite the disposition of the issue.

SEC. 3. Section 25650.5 of the Vehicle Code is amended to read:

25650.5. Every motorcycle manufactured and first registered on and after January 1, 1978, shall be equipped with at least one and not more than two headlamps which automatically turn on when the engine of the motorcycle is started and which remain lighted as long as the engine is running. This section does not preclude equipping motorcycles used as authorized emergency vehicles with a switch to be used to turn off the headlamp during emergency situations or when the light would interfere with law enforcement, if the switch is removed prior to resale of the motorcycle.

CHAPTER 248

An act to amend Sections 2842 and 2843 of the Business and Professions Code, relating to healing arts.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 2842 of the Business and Professions Code is amended to read:

2842. Each member of the board shall be a citizen of the United States and a resident of the State of California. Three members shall be duly licensed vocational nurses who have been licensed for a

period of not less than three years prior to appointment, one of whom shall be active in the practice of vocational nursing engaged primarily in direct patient care with at least three continuous years of experience in skilled nursing facilities which are not associated with a hospital and who shall not be engaged as a teacher or administrator of a nursing education program under the provisions of this chapter; two members shall be licensed psychiatric technicians, each of whom shall have had not less than five years' experience in a psychiatric hospital, or in a psychiatric unit of a hospital licensed by the Department of Health Services, or a private institution licensed by the Department of Health Services; one member shall be a licensed vocational nurse or registered nurse who shall have had not less than five years' experience as a teacher or administrator in an accredited school of vocational nursing; and five members shall be public members who are not licentiates of the board or any other board under this division or of any board referred to in Sections 1000 and 3600.

No person may serve as a member of the board for more than two consecutive terms.

Per diem and expenses of members of the board who are licensed psychiatric technicians shall be paid solely from revenues received pursuant to the provisions of Chapter 10 (commencing with Section 4500) of Division 2.

SEC. 2. Section 2843 of the Business and Professions Code is amended to read:

2843. Members of the board shall be appointed for a term of four years. Vacancies occurring shall be filled by appointment for the unexpired term.

Appointments to such office shall be for a term of four years expiring on June 1st.

The Governor shall appoint three of the public members and the licensed members of the board qualified as provided in Section 2842. The Senate Rules Committee and the Speaker of the Assembly shall each appoint a public member, and their initial appointment shall be made to fill, respectively, the first and second public member vacancies which occur on or after January 1, 1983.

The first vacancy in the office of a vocational nurse member after the effective date of amendments to Section 2842 made by the 1983 portion of the 1983–84 session of the Legislature shall be filled by a vocational nurse with at least three years' experience in skilled nursing facilities as specified in Section 2842.

SEC. 3. The Legislature recognizes that there is an increased need in the state for provision of care by registered nurses to geriatric and chronically ill patients. Further, the Legislature finds that there exists a need for an appropriate emphasis in the core curricula approved by the Board of Registered Nursing for California's schools of nursing in the care and treatment of geriatric and chronically ill patients. Further, the Legislature finds that this geriatric and chronically ill training and education should include

both didactical and clinical courses and that wherever practical this training should be conducted in settings devoted exclusively to the care of geriatric and chronically ill patients, including, but not limited to, freestanding long-term care facilities, hospice programs, and home health agencies. The Legislature also finds and declares that increased dialogue, communication, and input between the Board of Registered Nursing and representatives of nurses employed in freestanding long-term care facilities are important in an effort to obtain their expertise when the board undertakes action which impacts the care provided to California's geriatric and chronically ill population.

CHAPTER 249

An act to amend Sections 5120, 5120.110, and 5120.150 of the Civil Code, relating to family law.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 5120 of the Civil Code is amended to read:

5120. Neither the separate property of a spouse nor the earnings of the spouse after marriage is liable for the debts of the other spouse contracted or incurred before the marriage, including a child support obligation of the other spouse that does not arise out of the marriage. After the earnings of the spouse are paid, they remain not liable so long as they are held in a deposit account in which the other spouse has no right of withdrawal and are uncommingled with other community property, except property insignificant in amount. As used in this section, "deposit account" has the meaning prescribed in Section 9105 of the Commercial Code, and "earnings" means compensation for personal services performed, whether as an employee or otherwise.

SEC. 2. Section 5120.110 of the Civil Code, as added by Assembly Bill 1460 of the 1983–84 Regular Session, is amended to read:

5120.110. (a) Except as otherwise expressly provided by statute, the community property is liable for a debt incurred by either spouse before or during marriage, regardless which spouse has the management and control of the property and regardless whether one or both spouses are parties to the debt or to a judgment for the debt.

(b) The earnings of a married person during marriage are not liable for a debt incurred by the person's spouse before marriage. After the earnings of the married person are paid, they remain not liable so long as they are held in a deposit account in which the person's spouse has no right of withdrawal and are uncommingled

with other community property, except property insignificant in amount. As used in this subdivision, "deposit account" has the meaning prescribed in Section 9105 of the Commercial Code, and "earnings" means compensation for personal services performed, whether as an employee or otherwise.

SEC. 3. Section 5120.150, as added to the Civil Code by Assembly Bill 1460 of the 1983–84 Regular Session, is amended to read:

5120.150. (a) For the purpose of this chapter, a child or spousal support obligation of a married person that does not arise out of the marriage shall be treated as a debt incurred before marriage, regardless whether a court order for support is made or modified before or during marriage and regardless whether any installment payment on the obligation accrues before or during marriage.

(b) If community property is applied to the satisfaction of a child or spousal support obligation of a married person that does not arise out of the marriage, at a time when nonexempt separate income of the person is available but is not applied to the satisfaction of the obligation, the community is entitled to reimbursement from the person in the amount of the separate income, not exceeding the community property so applied.

(c) Nothing in this section limits the matters a court may take into consideration in determining or modifying the amount of a support order, including, but not limited to, the earnings of the spouses of the parties.

SEC. 4. Section 1 of this act shall not become operative if Assembly Bill 1460 is enacted and becomes effective January 1, 1985, and repeals Section 5120 of the Civil Code.

SEC. 5. Sections 2 and 3 of this act shall be operative only if Assembly Bill 1460 is enacted and becomes effective January 1, 1985, and this bill is enacted after Assembly Bill 1460.

CHAPTER 250

An act to amend Sections 4205 and 4205.1 of the Civil Code, to add Section 1952.3 to the Code of Civil Procedure, to amend Section 69503 of, to add Section 26830.1 to, and to repeal Section 26804 of, the Government Code, and to amend Section 21152 of the Public Resources Code, relating to county and court clerks.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 26, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 4205 of the Civil Code is amended to read:

4205. Marriage may be solemnized by any judge or retired judge, commissioner of civil marriages or retired commissioner of civil marriages, commissioner or retired commissioner, or assistant

commissioner of a court of record or justice court in this state or by any priest, minister, or rabbi of any religious denomination, of the age of 18 years or over.

A marriage may also be solemnized by a judge who has resigned from office.

SEC. 2. Section 4205.1 of the Civil Code is amended to read:

4205.1. In any county the county clerk is designated as a commissioner of civil marriages. The commissioner of civil marriages may appoint deputy commissioners of civil marriages who may solemnize marriages under the direction of the commissioner of civil marriages and shall perform such other duties as the commissioner may direct.

SEC. 3. Section 1952.3 is added to the Code of Civil Procedure, to read:

1952.3. Notwithstanding any other provision of the law, the court, on its own motion, may order the destruction or other disposition of any exhibit or deposition introduced in the trial of a civil action or proceeding or filed in the action or proceeding that, if appeal has not been taken from the decision of the court in the action or proceeding, remains in the custody of the court or clerk five years after time for appeal has expired, or, if appeal has been taken, remains in the custody of the court or clerk five years after final determination thereof, or that remains in the custody of the court or clerk for a period of five years after any of the following:

(a) A motion for a new trial has been granted and a memorandum to set the case for trial has not been filed, or a motion to set for trial has not been made within five years.

(b) The filing of a remittitur, if the action or proceeding, after appeal, has been remanded to the trial court for a new trial and has not been brought to trial within five years from the filing date of the remittitur.

(c) The dismissal of the action or proceeding.

In addition, the court on its own motion, may order the destruction or other disposition of any exhibit or deposition that remains in the custody of the court or clerk for a period of 10 years after the introduction or filing of the action or proceeding if, in the discretion of the court, the exhibitor deposition should be disposed of or destroyed.

The order shall be entered in the register of actions of each case in which the order is made.

No exhibit or deposition shall be ordered destroyed or otherwise disposed of pursuant to the provisions of this section if a party to the action or proceeding files a written notice with the court requesting the preservation of any exhibit or deposition for a stated time, but not to exceed three years. The exhibit or deposition may be destroyed after that time unless another notice is filed.

Any sealed file shall be retained for at least two years after the date on which destruction would otherwise be authorized pursuant to this section.

SEC. 4. Section 26804 of the Government Code is repealed.

SEC. 5. Section 26830.1 is added to the Government Code, to read:

26830.1. The fee for filing an application for renewal of a judgment pursuant to Section 683.150 of the Code of Civil Procedure shall be the amount as may be established by the board of supervisors, but not exceeding the actual cost of providing the service.

SEC. 6. Section 69503 of the Government Code is amended to read:

69503. (a) Notwithstanding any other provision of law relating to the destruction of court records, after complying with the requirements of subdivisions (c) and (d), the county clerk may cause to be destroyed any documents, records, instruments, books, depositions, transcripts, or other papers filed in any action or proceeding in the superior court or otherwise filed in his or her office pursuant to law, if the action or proceeding in which the papers were filed is not pending or on appeal in any court and any of the following events have occurred:

(1) The dismissal of the entire action has been entered.

(2) A period of three years has elapsed since a deposition or a transcript of a preliminary hearing or coroner's inquest was filed.

(3) A period of five years has elapsed since the papers in a domestic relations action or proceeding were filed.

(4) A period of five years has elapsed since the papers in any other action or proceeding were filed.

(b) Notwithstanding any other provision of law relating to the destruction of court records, after complying with the requirements of subdivision (c), the county clerk may cause to be destroyed any will delivered to him or her pursuant to Section 320 of the Probate Code, if a period of eight years has elapsed since the delivery of the will.

(c) The county clerk shall maintain for the use of the public a microphotographic film print or copy of each will, document, record, instrument, book, deposition, transcript, or other paper so destroyed, prepared pursuant to the procedure specified in Sections 1531 and 1551 of the Evidence Code. The county clerk shall promptly seal and store at least one original negative of each microphotographic film print or copy in a manner and place that reasonably assures its preservation indefinitely against loss, theft, defacement, or destruction.

(d) The county clerk may microfilm only the documents listed below, which microfilm shall be permanently retained. Documents not listed may be destroyed pursuant to subdivision (a) or (b), except for criminal, probate, and adoption records which shall be microfilmed prior to their destruction.

(1) Domestic relations:

(A) Petitions for dissolution, legal separation, or nullity.

(B) Interlocutory judgments of dissolution.

(C) Final judgments of dissolution, legal separation, or nullity.

(D) Any orders or modifications signed by a judge which amend the interlocutory or final judgment.

(E) Financial declarations.

(F) Petitions to establish paternity and orders establishing paternity.

(G) Confessions of judgment.

(H) Reciprocal support documents.

(I) Minute orders.

(2) Civil:

(A) All civil complaints, cross-complaints, petitions, responses, orders signed by a judge, judgments, offer to compromise, order to compromise, and bank deposit and withdrawal records.

(B) Dismissal orders.

(C) Satisfactions of judgment.

(D) Confessions of judgment.

(E) Requests for default.

(F) Minute orders.

(G) Stipulated judgments.

SEC. 7. Section 21152 of the Public Resources Code is amended to read:

21152. (a) Whenever a local agency approves or determines to carry out a project which is subject to this division, it shall file notice of the approval or the determination with the county clerk of the county, or counties, in which the project will be located. The notice shall indicate the determination of the local agency whether the project will, or will not, have a significant effect on the environment and shall indicate whether an environmental impact report has been prepared pursuant to this division.

(b) Whenever a local agency determines that a project is not subject to this division pursuant to subdivision (b) of Section 21080 or pursuant to Section 21085 or 21172, and it approves or determines to carry out the project, it, or the person specified in subdivision (b) or (c) of Section 21065, may file notice of the determination with the county clerk of the county, or counties, in which the project will be located. Any notice filed pursuant to this subdivision by a person specified in subdivision (b) or (c) of Section 21065 shall have a certificate of determination attached to it issued by the local agency responsible for making the determination that a project is not subject to this division pursuant to subdivision (b) of Section 21080 or pursuant to Section 21085 or 21172. The certificate of determination may be in the form of a certified copy of an existing document or record of the local agency.

(c) All notices filed pursuant to this section shall be available for public inspection, and shall be posted on a weekly basis in the office of the county clerk. Each notice shall remain posted for a period of 30 days, and thereafter may be destroyed.

SEC. 8. Section 21152 of the Public Resources Code is amended to read:

21152. (a) Whenever a local agency approves or determines to carry out a project which is subject to this division, it shall file notice of the approval or the determination within three working days of the action with the county clerk of the county, or counties, in which the project will be located. The notice shall indicate the determination of the local agency whether the project will, or will not, have a significant effect on the environment and shall indicate whether an environmental impact report has been prepared pursuant to this division.

(b) Whenever a local agency determines that a project is not subject to this division pursuant to subdivision (b) of Section 21080 or pursuant to Section 21085 or 21172, and it approves or determines to carry out the project, it, or the person specified in subdivision (b) or (c) of Section 21065, may file notice of the determination with the county clerk of the county, or counties, in which the project will be located. Any notice filed pursuant to this subdivision by a person specified in subdivision (b) or (c) of Section 21065 shall have a certificate of determination attached to it issued by the local agency responsible for making the determination that a project is not subject to this division pursuant to subdivision (b) of Section 21080 or pursuant to Section 21085 or 21172. The certificate of determination may be in the form of a certified copy of an existing document or record of the local agency.

(c) All notices filed pursuant to this section shall be available for public inspection, and shall be posted on a weekly basis in the office of the county clerk. Each notice shall remain posted for a period of 30 days, and thereafter may be destroyed.

SEC. 9. Section 8 of this bill incorporates amendments to Section 21152 of the Public Resources Code proposed by both this bill and SB 682. It shall only become operative if (1) both bills are enacted and become effective on January 1, 1985, (2) each bill amends Section 21152 of the Public Resources Code, and (3) this bill is enacted after SB 682, in which case Section 8 of this bill shall not become operative.

SEC. 10. Section 5 of this bill, shall not become operative if AB 2295 is chaptered after this bill and amends Section 26830 of the Government Code.

CHAPTER 251

An act to add Section 741 to the Public Resources Code, relating to forestry.

[Became law without Governor's signature Filed with Secretary of State June 27, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 741 is added to the Public Resources Code, to read:

741. (a) The board shall appoint a Range Management Advisory Committee and shall consult with the advisory committee on rangeland resource issues under consideration by the board.

(b) The advisory committee shall consist of 11 members who shall be selected as follows:

(1) Two members of the general public, who have an interest and background in the conservation of range resources or special knowledge in the protection of range and brushland soils and watersheds.

(2) One member nominated by the Watershed Fire Council of Southern California.

(3) One member nominated by the California Association of Resource Conservation Districts.

(4) Seven members nominated by organizations representing owners of range and brushlands.

(c) Members of the advisory committee shall serve without compensation.

(d) The Secretary of the Resources Agency may consult with the advisory committee on rangeland resource issues.

CHAPTER 252

An act to amend Sections 3701, 3702, and 3850 of, to add Section 3701.5 to, to add Article 2.5 (commencing with Section 3740) to Chapter 4 of Part 1 of Division 4 of, and to repeal Section 3704 of, the Labor Code, relating to workers' compensation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 27, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 3701 of the Labor Code is amended to read:

3701. The director shall require a private self-insuring employer to deposit a surety bond, or, in trust, cash, securities, cash and securities, cash and a surety bond, or an irrevocable letter of credit, approved by the director, and in an amount determined by the director to secure incurred liabilities for the payment of compensation, as defined in Section 3207. The minimum deposit shall be two hundred thousand dollars ($200,000) or 125 percent of the private self-insurer's liability for the payment of compensation, whichever is greater. Within 60 days of filing its report with the director, and in no event later than May 1, each private self-insured

employer shall deposit security so that the total security equals not less than 125 percent of the total accrued liability reported.

(a) Surety bonds and documents showing issuance of any irrevocable letter of credit shall be deposited with the director.

(b) Securities shall be deposited with the Treasurer. Securities shall be accepted by the Treasurer for deposit and shall be withdrawn only upon written order of the director.

(c) Cash shall be deposited in a financial institution approved by the director, and in the account assigned to the director. Cash shall be withdrawn only upon written order of the director.

(d) The private self-insured employer loses all right, title, and interest in, and any rights to control, all assets or obligations posted as security. However, the director shall return to a private self-insured employer all amounts which are determined, in the director's discretion, to be in excess of that needed to ensure the administration and payment of any future claims.

SEC. 2. Section 3701.5 is added to the Labor Code, to read:

3701.5. (a) If the director determines that a private self-insured employer has failed to pay workers' compensation as required by this division, the security deposit shall be utilized to administer and pay the employer's compensation obligations.

(b) If the director determines the security deposit has not been immediately made available for the payment of compensation, the director shall determine the method of payment and claims administration as appropriate, which may include, but is not limited to, administration and payment by a surety, by an adjusting agency, or through the Self-Insurers' Security Fund, or any combination thereof.

(c) If the director determines the payment of benefits and claims administration shall be made through the Self-Insurers' Security Fund, the fund shall commence payment of the private self-insured employer's obligations for which it is liable under Section 3743 within 30 days of notification. Payments shall be made to claimants whose entitlement to benefits can be ascertained by the fund, with or without proceedings before the appeals board.

(d) The director shall promptly audit an employer upon making a determination under subdivision (a) or (b). The employer, any excess insurer, and any adjusting agency shall provide any relevant information in their possession. If the audit results in a preliminary estimate that liabilities exceed the amount of the security deposit, the director shall direct the custodian of the security deposit to liquidate it and provide all proceeds to the Self-Insurers' Security Fund. If the preliminary estimate is that liabilities are less than the security deposit, the director shall ensure the administration and payment of compensation pursuant to subdivision (b).

(e) The payment of benefits by the Self-Insurers' Security Fund from security deposit proceeds shall release and discharge any custodian of the security deposit, or surety, and the self-insured employer, from liability to fulfill obligations to provide those same

benefits as compensation. Payment by a surety constitutes a full release of the surety's liability under the bond to the extent of that payment, and entitles the surety to full reimbursement by the principal or his or her estate, including necessary attorney fees and other costs and expenses, without prior claim or proceedings on the part of the injured employee or other beneficiaries.

(f) The director shall advise the Self-Insurers' Security Fund promptly after receipt of information indicating that a private self-insured employer may be unable to meet its compensation obligations. The director shall also advise the Self-Insurers' Security Fund of all determinations and directives made or issued pursuant to this section.

(g) Disputes between or among a surety, any custodian of the security deposit, or the Self-Insurers' Security Fund shall be resolved by the director. An appeal from the director's decision or determination may be taken to the appeals board. The appeals board may, in its discretion, assign the matter to a referee pursuant to Sections 5309 and 5310. Payment of claims from the security deposit shall not be stayed pending the resolution of the disputes unless and until the appeals board issues an order staying a decision or detemination of the director.

SEC. 3. Section 3702 of the Labor Code is amended to read:

3702. (a) A certificate of consent to self-insure may be revoked by the director at any time for good cause after a hearing. Good cause includes, among other things, the impairment of the solvency of the employer to the extent that there is a marked reduction of the employer's financial strength, failure to maintain a security deposit as required by Section 3701, failure to pay assessments of the Self-Insurers' Security Fund, frequent or flagrant violations of state safety and health orders, the failure or inability of the employer to fulfill his or her obligations, or the practice by the employer or his or her agent in charge of the administration of obligations under this division of any of the following:

(1) Habitually and as a matter of practice and custom inducing claimants for compensation to accept less than the compensation due or making it necessary for them to resort to proceedings against the employer to secure the compensation due.

(2) Discharging his or her compensation obligations in a dishonest manner.

(3) Discharging his or her compensation obligations in such a manner as to cause injury to the public or those dealing with the employer.

(b) Where revocation is in part based upon the director's finding of a marked reduction of the employer's financial strength or the failure or inability of the employer to fulfill his or her obligations, or a practice of discharging obligations in a dishonest manner, it is a condition precedent to the employer's challenge or appeal of the revocation that the employer have in effect insurance against liability to pay compensation.

SEC. 4. Section 3704 of the Labor Code is repealed.

SEC. 5. Article 2.5 (commencing with Section 3740) is added to Chapter 4 of Part 1 of Division 4 of the Labor Code, to read:

Article 2.5. Self-Insurers' Security Fund

3740. It is the intent of the Legislature in enacting this article to provide for the continuation of workers' compensation benefits delayed due to the failure of a private self-insured employer to meet its compensation obligations when the employers' security deposit is either inadequate or not immediately accessible for the payment of benefits. The Legislature finds and declares that the establishment of the Self-Insurers' Security Fund is a necessary component of a complete system of workers' compensation, required by Section 4 of Article XIV of the California Constitution, to have adequate provisions for the comfort, health and safety, and general welfare of any and all workers and their dependents to the extent of relieving the consequences of any industrial injury or death, and full provision for securing the payment of compensation.

3741. As used in this article:

(a) "Director" means the Director of Industrial Relations.

(b) "Private self-insurer" means a private employer which has secured the payment of compensation pursuant to subdivision (b) of Section 3700.

(c) "Insolvent self-insurer" means a private self-insurer who has failed to pay compensation and whose security deposit has been called by the director pursuant to Section 3701.5.

(d) "Fund" means the Self-Insurers' Security Fund established pursuant to Section 3742.

(e) "Trustees" means the Board of Trustees of the Self-Insurers' Security Fund.

(f) "Member" means a private self-insurer which participates in the Self-Insurers' Security Fund.

3742. (a) The Self-Insurers' Security Fund shall be established as a Nonprofit Mutual Benefit Corporation pursuant to Part 3 (commencing with Section 7110) of Division 2 of Title 1 of the Corporations Code and this article. If any provision of the Nonprofit Mutual Benefit Corporation Law conflicts with any provision of this article, the provisions of this article shall apply. Each private self-insurer shall participate as a member in the fund as a condition of maintaining its certificate of consent to self-insure.

(b) The fund shall be governed by a seven member Board of Trustees. The director shall be an ex officio member, with full powers as trustee. The remaining six trustees shall be representatives of private self-insurers. The initial self-insurer trustees shall be appointed by the director to two-year terms within 30 days of the effective date of this article. Thereafter, the self-insurer trustees shall be elected by the members of the fund, each member having one vote. Three of the trustees initially elected by the members shall

serve two-year terms, and three shall serve four-year terms. Thereafter, trustees shall be elected to four-year terms, and shall serve until their successors are elected and assume office pursuant to the bylaws of the fund.

(c) The fund shall establish such bylaws as are necessary to effectuate the purposes of this article and to carry out the responsibilities of the fund. The fund may carry out its responsibilities directly or by contract, and may purchase such services and insurance and borrow such funds as it deems necessary for the protection of the members and their employees.

3743. (a) Upon order of the director pursuant to Section 3701.5, the fund shall assume the workers' compensation obligations of an insolvent self-insurer.

(b) Notwithstanding subdivision (a), the fund shall not be liable for the payment of any penalties assessed for any act or omission on the part of any person other than the fund, including, but not limited to, the penalties provided in Section 132a, 3706, 4553, 4554, 4556, 4557, 4558, 4601.5, 5814, or 5814.1.

(c) The fund shall be a party in interest in all proceedings involving compensation claims against an insolvent self-insurer whose compensation obligations have been paid or assumed by the fund. The fund shall have the same rights and defenses as the insolvent self-insurer, including, but not limited to, all of the following:

(1) To appear, defend, and appeal claims.

(2) To receive notice of, investigate, adjust, compromise, settle, and pay claims.

(3) To investigate, handle, and deny claims.

3744. (a) The fund shall have the right and obligation to obtain reimbursement from an insolvent self-insurer up to the amount of the self-insurer's workers' compensation obligations paid and assumed by the fund, including reasonable administrative and legal costs. This right includes, but is not limited to, a right to claim for wages and other necessities of life advanced to claimants as subrogee of the claimants in any action to collect against the self-insured as debtor.

(b) The fund shall have the right and obligation to obtain from the security deposit of an insolvent self-insurer the amount of the self-insurer's compensation obligations, including reasonable administrative and legal costs, paid or assumed by the fund. Reimbursement of administrative costs, including legal costs, shall be subject to approval of the director. The fund shall be a party in interest in any action to obtain the security deposit for the payment of compensation obligations of an insolvent self-insurer.

(c) The fund shall have the right to bring an action against any person to recover compensation paid and liability assumed by the fund.

(d) The fund may be a party in interest in any action brought by any other person seeking damages resulting from the failure of an

insolvent self-insurer to pay workers' compensation required pursuant to this division.

3745. (a) The fund shall maintain cash, readily marketable securities, or other assets, or a line of credit, approved by the director, sufficient to immediately continue the payment of the compensation obligations of an insolvent self-insurer pending assessment of the members. The director may establish the minimum amount to be maintained by, or immediately available to, the fund for this purpose.

(b) The fund may assess each of its members a pro rata share of the funding necessary to carry out the purposes of this article. However, no member shall be assessed at one time in excess of 1.5 percent of the benefits paid by the member for claims incurred during the previous calendar year as a self-insurer, and total annual assessments in any calendar year shall not exceed 2 percent of the benefits paid for claims incurred during the previous calendar year. Funds obtained by assessments pursuant to this subdivision may only be used for the purposes of this article.

(c) A private employer which has ceased to be a self-insurer shall continue to be liable for all assessments made pursuant to this section for a period of three years from the date its certificate of consent to self-insure was withdrawn, revoked, or surrendered. Assessments of these employers shall be based on the benefits paid by the employer during the last full calendar year of self-insurance on claims incurred during that year.

(d) The trustees shall certify to the director the collection and receipt of all moneys from assessments, noting any delinquencies. The trustees shall take any action deemed appropriate to collect any delinquent assessments.

3746. The trustees shall annually contract for an independent certified audit of the financial activities of the fund. An annual report on the financial status of the fund as of June 30 shall be submitted to the director and to each member.

3747. This article shall be known and may be referred to as the "Young-La Follette Self-Insurers' Security Act."

SEC. 6. Section 3850 of the Labor Code is amended to read:

3850. As used in this chapter:

(a) "Employee" includes the person injured and any other person to whom a claim accrues by reason of the injury or death of the former.

(b) "Employer" includes insurer as defined in this division.

(c) "Employer" also includes the Self-Insurers' Security Fund, where the employer's compensation obligations have been assumed pursuant to Section 3743.

SEC. 7. If any provision of this act or the application thereof to any person or circumstances is held invalid, that invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

SEC. 8. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide for and insure the continuation of workers' compensation benefits to employees of private self-insured employers at the earliest possible time and without undue delay, it is necessary for this act to take effect immediately.

CHAPTER 253

An act to add and repeal Section 146.5 of the Military and Veterans Code, relating to military affairs, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 27, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 146.5 is added to the Military and Veterans Code, to read:

146.5. (a) The Legislature finds and declares as follows:

(1) The summer games of the XXIII Olympiad will take place in the City and the County of Los Angeles and surrounding counties of southern California during the summer of 1984, the first time in over 50 years that the Summer Olympic Games will be held within the United States.

(2) As a consequence, world attention will be focused on the State of California during that period, and many visitors from around the world will attend the 1984 Summer Olympic Games.

(3) The safety and security of visitors, Olympic participants, and citizens of this state will be of utmost public concern and will require a prudent enhancement of public safety services.

(4) State, county, and city public safety agencies will require special and technical augmentation services which can be provided through the Military Department.

(5) The United States Department of Defense has agreed to fund certain services which can be provided by the Military Department to support these public safety agencies, thus relieving the state of any financial burden for these services.

(b) The Governor may call into active service of the state such portion of the active militia to serve for such periods and under the command of such officers as he deems necessary to prepare for and provide logistical military support to public safety agencies in connection with the 1984 Summer Olympic Games. For these purposes, logistical support includes, but is not limited to, assistance to public safety agencies with planning, communications,

transportation, emergency medical care, food service, and maintenance of equipment.

(c) Unless the Governor makes a declaration pursuant to Section 143 or 146, no member of the active militia shall engage in any law enforcement activity, including, but not limited to, the prevention or investigation of any criminal act which would normally be the responsibility of a peace officer and the arrest or detention of any person suspected of committing a criminal act. Nothing in this subdivision prohibits a member of the active militia from the arrest or detention of any person committing a criminal act in the presence of the member.

(d) The Adjutant General shall actively seek federal funding for purposes of this section and may enter into agreements with the federal government, which provide for direct federal funding or federal fund reimbursement to the state, for such services as the Military Department may furnish to public safety agencies in connection with the 1984 Summer Olympic Games. Except as provided by this section, the Adjutant General may exercise the same command, administrative, logistical and fiscal procedures and authorities as if he were acting under Section 146.

(e) All members of the active militia called to duty under this section have the same rights, benefits, privileges, duties, and responsibilities as they would if called into active service under Section 146.

(f) This section shall remain in effect only until January 1, 1985, and as of that date is repealed, unless a later enacted statute which is enacted on or before January 1, 1985, deletes or extends that date.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the Military Department may plan for and provide support services to public safety agencies for the 1984 Summer Olympic Games which are to be funded by the United States Department of Defense, it is necessary that this act take effect immediately.

CHAPTER 254

An act to add Section 2270.5 to the Public Resources Code, relating to surface mining.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 27, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 2770.5 is added to the Public Resources Code, to read:

2770.5. Whenever surface mining operations are proposed in the 100-year flood plain for any stream, as shown in Zone A of Flood Insurance Rate Maps issued by the Federal Emergency Management Agency, and within one mile, upstream or downstream, of any state highway bridge, the lead agency receiving the application for the issuance or renewal of a permit to conduct the surface mining operations shall notify the Department of Transportation that the application has been received. The Department of Transportation shall have a period of not more than 45 days to review and comment on the proposed surface mining operations with respect to any potential damage to the state highway bridge from the proposed surface mining operations. The lead agency shall not issue or renew the permit until the Department of Transportation has submitted its comments or until 45 days from the date the application for the permit was submitted, whichever occurs first.

SEC. 2. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 3. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

CHAPTER 255

An act to amend Section 22658 of the Vehicle Code, relating to vehicles.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 27, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 22658 of the Vehicle Code is amended to read:

22658. (a) The owner or person in lawful possession of any private property may, subsequent to notifying, by telephone or, if impractical, by the most expeditious means available, the city police or county sheriff, whichever is appropriate, cause the removal of a

vehicle parked on the property to the nearest public garage, if (1) there is displayed, in plain view at all entrances to the property, a sign of a size specified by ordinance prohibiting public parking and indicating that vehicles will be removed at the owner's expense, and containing the telephone number of the local traffic law enforcement agency, or (2) the lot or parcel upon which the vehicle is parked is improved with a single family dwelling.

(b) The person causing removal of such vehicle shall, if the person knows or is able to ascertain from the registration records of the Department of Motor Vehicles the name and address of the registered and legal owner thereof, immediately give, or cause to be given, notice in writing to the registered and legal owner of the fact of the removal, the grounds for the removal, and indicate the place to which the vehicle has been removed. If the vehicle is stored in a public garage, a copy of the notice shall be given to the proprietor of the garage. The notice provided for in this section shall include the amount of mileage on the vehicle at the time of removal. If the person does not know and is not able to ascertain the name of the owner or for any other reason is unable to give the notice to the owner as provided in this section, the person causing removal of a vehicle shall comply with the requirements of subdivision (c) of Section 22853 relating to notice in the same manner as applicable to an officer removing a vehicle from private property.

(c) This section shall not limit or affect any right or remedy which the owner or person in lawful possession of private property may have by virtue of other provisions of law authorizing the removal of a vehicle parked upon private property.

(d) The owner of a vehicle removed from private property pursuant to subdivision (a) may recover for any damage to the vehicle resulting from any intentional or negligent act of any person causing the removal of, or removing, the vehicle.

(e) Any owner or person in lawful possession of any private property causing the removal of a vehicle parked on that property is liable for any storage or towing charges whenever there has been a failure to post a sign if and as required by subdivision (a).

(f) No person shall cause the removal of any vehicle from a privately owned and operated fee-paid parking facility until at least 12 hours after the expiration of the period for which the fee is paid for the vehicle. This subdivision does not apply to any parking space or stall rented to a person and reserved or otherwise clearly marked or designated for the use of that person.

(g) Any owner or person in lawful possession of any private property causing the removal of a vehicle parked on that property shall state the grounds for the removal of the vehicle if requested by the legal or registered owner of that vehicle. Any towing company that removes a vehicle from private property with the authorization of the property owner or the property owner's agent shall not be held responsible in any situation relating to the validity of the removal. Any towing company that removes the vehicle under this

section shall be responsible for (1) any damage to the vehicle in the transit and subsequent storage of the vehicle pursuant to subdivision (d) and (2) the removal of a vehicle other than the vehicle specified by the owner or other person in lawful possession of the private property.

(h) Possession of any vehicle under this section shall be deemed to arise when a vehicle is removed from private property and is in transit.

CHAPTER 256

An act to add Chapter 4 (commencing with Section 27500) to, and to repeal Chapter 6 (commencing with Section 28190), Chapter 11 (commencing with Section 28520), and Chapter 14 (commencing with Section 28800) of Division 22 of, the Health and Safety Code, relating to food facilities.

[Approved by Governor June 26, 1984. Filed with Secretary of State June 27, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 4 (commencing with Section 27500) is added to Division 22 of the Health and Safety Code, to read:

CHAPTER 4. CALIFORNIA UNIFORM RETAIL FOOD FACILITIES LAW

Article 1. Declaration of Policy and General Provisions

27500. This chapter shall be known and may be cited as the California Uniform Retail Food Facilities Law.

27501. The Legislature finds and declares that the public health interest requires that there be uniform statewide health and sanitation standards for retail food facilities to assure the people of this state that food will be pure, safe, and unadulterated. It is the intention of the Legislature to occupy the whole field of health and sanitation standards for these food facilities, and the standards set forth in this chapter and regulations adopted pursuant to its provisions shall be exclusive of all local health and sanitation standards relating to these facilities.

27502. The State Department of Health Services shall adopt regulations to implement and administer the provisions of this chapter.

27503. Nothing in this chapter shall prohibit a local governing body from adopting an evaluation or grading system for food facilities, from adopting an employee health certification or employee training program, from prohibiting any type of food

facility, or from regulating food facilities, operations, construction, or the provision of patron toilet and handwashing facilities, not covered by this chapter.

27504. In all laws and regulations, references to Chapter 6 (commencing with Section 28190), Chapter 11 (commencing with Section 28520), and Chapter 14 (commencing with Section 28800), of Division 22 of the Health and Safety Code, or to the California Bakery Sanitation Law, the California Restaurant Act, and the Retail Food Production and Marketing Establishments Law, shall mean Chapter 4 (commencing with Section 27500) of Division 22 or the California Uniform Retail Food Facilities Law.

27505. Primary responsibility for enforcement of the provisions of this chapter shall be with local health agencies. Nothing in this chapter shall prevent the department from taking any necessary program or enforcement actions for the protection of the public health and safety.

Whenever the enforcement of the requirements of this chapter by any local enforcement agency is satisfactory to the department, the enforcement of the provisions of this chapter shall not be duplicated by the department. The department may investigate to determine satisfactory enforcement of this chapter by a local enforcement agency.

27506. Any construction, alteration, remodeling, or installation of a food establishment pursuant to this chapter shall be in accordance with applicable building codes.

Article 2. Definitions

27510. "Adulterated" means food which bears or contains any poisonous or deleterious substance which may render the food impure or injurious to health.

27511. "Approved" means acceptable to the department or health authority based on a determination of conformity with current public health principles, practices, and generally recognized industry standards.

27512. "Certified farmers' market" means a location certified by the county agricultural commissioner and operated as specified in Article 6.5 (commencing with Section 1392) of Title 3 of the California Administrative Code.

27513. "Commissary" means a food establishment in which food, containers, equipment, or supplies are stored or handled for use in vehicles, mobile food preparation units, food carts, or vending machines.

27515. "Employee" means any person working in a food facility covered by this chapter.

27516. "Enforcement agency" means the State Department of Health Services and all local health agencies.

27517. "Enforcement officer" means the director, agents, or sanitarians appointed by the Director of Health Services, and all local

health officers, directors of environmental health, and their duly authorized registered sanitarians and assistant sanitarians.

27518. "Equipment" means all cooking units, hoods, cutting blocks, processing machines, tables, refrigerators, sinks, dish machines, steam tables, and other items used in a food facility.

27519. "Food" means any raw or processed substance, ice, beverage, or ingredient intended to be used as food, drink, confection, or condiment for human consumption.

27520. "Food establishment" means any room, building, or place, or portion thereof, maintained, used, or operated for the purpose of storing, preparing, serving, manufacturing, packaging, transporting, salvaging, or otherwise handling food at the retail level. "Food establishment" includes a grocery store as defined in Section 27523.5.

"Food establishment" does not include a commercial food processing establishment as defined in Section 28280.1, at the wholesale level, a vehicle, vending machine, satellite food distribution facility, temporary food facility, open-air barbecue, certified farmers' market, or mobile food preparation unit; a cooperative arrangement wherein no permanent facilities are used for storing or handling food; a private home; or a church, private club, or other nonprofit association which gives or sells food at occasional events defined in Section 27528.

27521. "Food facility" means food establishment, vehicle, vending machine, produce stand, temporary food facility, satellite food distribution facility, and mobile food preparation unit as defined in Section 27526. Food facility also includes places used in conjunction with these operations, including, but not limited to, storage facilities for food-related utensils, equipment, and materials.

27522. "Food preparation" means packaging, processing, or any operation which changes the form, flavor, or consistency of food, but does not include trimming of produce.

27523. "Frozen food" means a food maintained at a temperature at which all moisture therein is in a solid state, not to exceed O degrees Celsius (32 degrees Fahrenheit).

27523.5. "Grocery store" means any room, building, or place, or portion thereof, maintained, used, or operated for, or in conjunction with, the retail sale of staple foodstocks, meats, and other foods, and household supplies, by a retail grocer.

27524. "Hot dog" means a whole cured, cooked sausage that is skinless or stuffed in a casing and which is also known as a frankfurter, frank, furter, wiener, red hot, vienna, bologna, garlic bologna, or knockwurst.

27525. "Impound" means the legal control exercised by the enforcement officer over the use, sale, disposal, or removal of any food or equipment.

27526. "Mobile food preparation unit" means any vehicle or portable food service unit upon which food is prepared for service, sale, or distribution at retail. Mobile food preparation unit shall not include vehicles from which prepackaged food or approved

unpackaged food is sold or offered for sale as prescribed by Article 11 (commencing with Section 27670).

27527. "Multiservice utensil" means a utensil manufactured and aproved for use more than one time by any person.

27528. "Occasional event" means an event which occurs not more than three days in any 90-day period.

27528.5. "Open-air barbecue facility" means an unenclosed facility for barbecuing food which is operated by a food establishment.

27529. "Permit" means a written authorization to operate issued by a local enforcement officer.

27530. "Person" means any individual, firm, partnership, joint venture, association, corporation, estate, trust, receiver, syndicate, city, county, or other political subdivision, or any other group or combination acting as a unit.

27531. "Potentially hazardous food" means food capable of supporting rapid and progressive growth of microorganisms that may cause food infections or intoxications. Potentially hazardous food does not include edible shell eggs.

27532. "Produce" means any fruit or vegetable in its raw or natural state.

27533. "Produce stand" means a food establishment which has one side open to the outside air during business hours and which sells, offers for sale, or gives away only produce or shell eggs, or both.

27534. "Refrigeration unit" means a mechanical unit which extracts heat from an area through liquification and evaporation of a fluid by a compressor, flame, or thermoelectric device. Refrigeration unit also includes a cold plate permanently connected to a compressor or any other unit approved by the department.

27535. "Remodeled" means construction, building, or repair to the food facility that requires a permit from the local building authority.

27536. "Retail" means the storing, preparing, serving, manufacturing, packaging, transporting, salvaging, or otherwise handling food for dispensing or sale directly to the consumer.

27536.5. "Satellite food distribution facility" means a location where only prepackaged, unit servings of food are distributed, which have been prepared or stored in an approved food facility operated by a school, governmental agency, or nonprofit organization.

27537. "Single service utensil" means a utensil which is manufactured and approved for use only once and which shall be discarded after use.

27538. "Temporary food facility" means a food facility operating out of temporary facilities approved by the enforcement officer at a fixed location for a period of time not to exceed 14 days in any 90-day period in conjunction with a single event or celebration.

27539. "Utensil" means any kitchenware, tableware, cutlery, glassware, container, implement, high chair tray, or other item with which food comes in contact during storage, transportation, display,

preparation, serving, sale, or through use by an employee or consumer.

27540. "Vehicle" means any motorized or nonmotorized conveyance or portable food service unit upon which prepackaged food or approved unpackaged food is sold or offered for sale at retail. "Vehicle" does not include a mobile food preparation unit as defined in Section 27526.

27541. "Vending machine" means any self-service device which, upon insertion of money or tokens, dispenses food without the necessity of replenishing the device between each vending operation. "Vending machine" does not include any such device dispensing exclusively peanuts, nuts, popcorn, ballgum, or hard candy; prepackaged candy, cookies, crackers, or similar snacks and beverages which are not potentially hazardous as defined in Section 27531, and prepackaged ice.

Article 3. Plan Review and Permits

27550. A person proposing to build or remodel a food facility shall submit complete plans and specifications to the local enforcement agency for review and approval pursuant to the requirements of this chapter. The plans shall be approved or rejected within 20 working days after receipt by the local enforcement agency and the applicant shall be notified of the decision. Unless the plans are approved or rejected within 20 working days, they shall be deemed approved. The building department shall not issue a building permit for a food facility until after it has received plan approval by the local enforcement officer.

27551. Except as otherwise provided for in this section, a food facility shall not be open for business without a valid permit. A food facility which is in existence on January 1, 1985, that does not possess a valid permit on that date may be open for business without a valid permit, but shall apply for a permit on forms, and within a period not to exceed six months, prescribed by the local enforcement agency.

A permit shall be issued by the local enforcement agency when investigation has determined that the proposed facility and its method of operation will conform to the requirements of this chapter. A permit, once issued, is nontransferable. A permit shall be valid only for the person, location, type of food sales, or distribution activity approved and, unless suspended or revoked for cause, for the time period indicated.

Any fee for the permit and related services shall be determined by the local governing body . Fees shall be sufficient to cover the actual expenses of administering and enforcing this program. All moneys collected as fees shall be expended in carrying out the provisions of this chapter.

A permit shall be posted in a conspicuous place in the food facility or in the office of a vending machine business.

Article 4. Enforcement and Inspection

27560. Enforcement officers are charged with the enforcement of this chapter and all regulations adopted pursuant to it.

An enforcement officer may enter, inspect, issue citations, and secure any sample, photographs, or other evidence from any food facility, or any facility suspected of being a food facility, for the purpose of enforcing this chapter. A written report of the inspection shall be made and a copy shall be supplied or mailed to the owner, manager, or operator of the food facility.

27561. (a) Based upon inspection findings or other evidence, an enforcement officer may do any of the following:

(1) Impound any food which is found to be, or suspected of being, contaminated or adulterated.

(2) Impound equipment or utensils which are found to be unsanitary or in such disrepair that food, equipment, or utensils may become contaminated or adulterated. The enforcement officer may attach a tag to such food, equipment or utensils which shall be removed only by the enforcement officer following verification that the condition has been corrected.

(b) No food, equipment, or utensils impounded pursuant to subdivision (a) shall be used unless the impoundment has been released.

(c) Within 30 days the enforcement agency that has impounded the food, equipment, or utensils pursuant to subdivision (a) shall commence proceedings to release the impounded materials or to seek administrative or legal remedy for its disposition.

27562. Any person who violates any provision of this chapter or regulation adopted pursuant to this chapter is guilty of a misdemeanor. Each offense shall be punished by a fine of not less than twenty-five dollars ($25) or more than one thousand dollars ($1,000) or by imprisonment in the county jail for a term not exceeding six months, or by both such fine and imprisonment.

27563. The owner, manager, or operator of any food facility is responsible for any violation by an employee of any provision of this chapter. Each day the violation occurs shall be a separate and distinct offense.

27564. A violation of any provision of this chapter relating to facilities held in common or shared by more than one food facility shall be deemed a violation for which the owner or operator of each food facility is responsible.

Article 5. Permit Suspension or Revocation

27580. Any permit may be suspended or revoked by a local enforcement officer for a violation of this chapter. Any food facility for which the permit has been suspended shall close and remain closed until the permit has been reinstated. Any food facility for which the permit has been revoked shall close and remain closed

until a new permit has been issued.

Whenever a local enforcement officer finds that a food facility is not in compliance with the requirements of this chapter, a written notice to comply shall be issued to the permittee. If the permittee fails to comply, the local enforcement officer shall issue to the permittee a notice setting forth the acts or omissions with which the permittee is charged, and informing him or her of a right to a hearing, if requested, to show cause why the permit should not be suspended or revoked. A written request for a hearing shall be made by the permittee within 15 calendar days after receipt of the notice. A failure to request a hearing within 15 calendar days after receipt of the notice shall be deemed a waiver of the right to a hearing. When circumstances warrant, the hearing officer may order a hearing at any reasonable time within this 15-day period to expedite the permit suspension or revocation process.

The hearing shall be held within 15 calendar days of the receipt of a request for a hearing. Upon written request of the permittee, the hearing officer may postpone any hearing date, if circumstances warrant such action.

27581. At the conclusion of the hearing, the hearing officer shall issue a written notice of decision to the permittee within five working days following the hearing. In the event of a suspension or revocation, the notice shall specify the acts or omissions with which the permittee is charged, and shall state the terms of the suspension or that the permit has been revoked.

27582. (a) If any immediate danger to the public health or safety is found, unless the danger is immediately corrected, an enforcement officer may temporarily suspend the permit and order the food facility immediately closed. Immediate danger to the public health and safety means any condition, based upon inspection findings or other evidence, that can cause food infection, food intoxication, disease transmission, or hazardous condition, including, but not limited to, unsafe food temperature, sewage contamination, nonpotable water supply, or an employee who is a carrier of a communicable disease.

(b) Whenever a permit is suspended as the result of an immediate danger to the public health or safety, the enforcement officer shall issue to the permittee a notice setting forth the acts or omissions with which the permittee is charged, specifying the pertinent code section, and informing the permittee of the right to a hearing.

(c) At any time within 15 calendar days after service of a notice pursuant to subdivision (b), the permittee may request in writing a hearing before a hearing officer to show cause why the permit suspension is not warranted. The hearing shall be held within 15 calendar days of the receipt of a request for a hearing. A failure to request a hearing within 15 calendar days shall be deemed a waiver of the right to such hearing.

27583. The enforcement agency may, after providing opportunity for a hearing, modify, suspend, or revoke a permit for

serious or repeated violations of any of the requirements of this code or for interference in the performance of the duty of the enforcement officer.

27584. A permit may be reinstated or a new permit issued if the enforcement agency determines that conditions which prompted the suspension or revocation no longer exist.

Article 6. General Sanitation Requirements

27590. This article governs general sanitation requirements for food facilities as defined in this chapter.

27591. All food shall be manufactured, produced, prepared, compounded, packed, stored, transported, kept for sale, and served so as to be pure, free from contamination, adulteration, and spoilage; shall have been obtained from approved sources; shall otherwise be fully fit for human consumption; and shall conform to the applicable provisions of the Sherman Food, Drug, and Cosmetic Law (Division 21 (commencing with Section 26000)).

Article 7. Sanitation Requirements for Food Facilities

27600. This article governs sanitation requirements for food facilities as defined in this chapter.

27601. All potentially hazardous food shall be held at or below 7 degrees Celsius (45 degrees Fahrenheit) or shall be kept at or above 60 degrees Celsius (140 degrees Fahrenheit) at all times. A thermometer accurate to plus or minus 1 degree Celsius (2 degrees Fahrenheit) shall be provided for each refrigeration unit, shall be located to indicate the air temperature in the warmest part of the unit and, except for vending machines, shall be affixed to be readily visible. Containers of potentially hazardous food displayed for service may be placed in an ice bed or held by a similar means which maintains the food at or below 7 degrees Celsius (45 degrees Fahrenheit). Except for vending machines, an accurate easily readable metal probe thermometer suitable for measuring the temperature of food shall be readily available on the premises.

27602. Raw duck, which otherwise would be readily perishable, shall be exempt from the provisions of Section 27601 for a period not to exceed two hours, if the duck will subsequently be cooked at or above a temperature of 177 degrees Celsius (350 degrees Fahrenheit) for at least 60 minutes.

(a) Whole Chinese-style roast duck shall be exempted from Section 27601 for a period not to exceed four hours after the duck is prepared, since the methods used to prepare these foods inhibit the growth of microorganisms which can cause food infections or food intoxications.

Nothing in this section shall be construed to supersede any provision of this chapter except the provisions specified in this section.

(b) For the purpose of this section, "Chinese-style roast duck" shall include, but is not limited to, Chinese-style barbeque duck, dry hung duck, and Peking duck. Chinese-style roast duck means duck which is prepared as follows:

(1) The abdominal cavity is cleaned.

(2) The duck is marinated.

(3) The cavity is closed prior to cooking.

(4) The duck is roasted at a temperature of 177 degrees Celsius (350 degrees Fahrenheit) or more for at least 60 minutes.

27603. All food shall be prepared, stored, displayed, dispensed, placed, transported, sold, and served as to be protected from dirt, vermin, unnecessary handling, droplet contamination, overhead leakage, or other contamination.

27604. (a) No unpackaged food which has been served to any person or returned from any eating area shall be served again or used in the preparation of other food. No food prepared or stored in a private home shall be used, stored, served, offered for sale, sold, or given away in a food facility.

(b) Except as provided in subdivision (c) of Section 27621, every bakery product shall have a protective wrapping which shall bear a label which complies with the labeling requirements prescribed by the Sherman Food, Drug, and Cosmetic Law (Division 21 (commencing with Section 26000)). Bakery products sold directly to a restaurant, catering service, retail bakery, or sold over the counter directly to the consumer by the manufacturer or bakery distributor shall be exempt from the provisions of this subdivision. French style, hearth-baked, or hard-crusted loaves and rolls shall be considered properly wrapped if contained in an open-end bag of sufficient size to enclose the loaves or rolls.

27605. All employees preparing, serving, or handling food or utensils shall wear clean, washable outer garments, or other clean uniforms, and shall keep their hands clean. All such employees shall wash their hands and arms with cleanser and warm water before commencing work, immediately after using toilet facilities, and at other times as are necessary to prevent contamination of food. Legible signs shall be posted in each toilet room directing attention to this requirement. All such employees shall wear hairnets, caps, or other suitable coverings to confine all hair when required to prevent the contamination of food or utensils. Employees serving food shall use tongs or other implements, rather than their hands. No employee shall expectorate or use tobacco in any form in any area where food is prepared or utensils are cleaned or stored. No employee shall commit any act which may result in contamination or adulteration of any food, food contact surface, or utensil. The employer shall post and maintain "No Smoking" signs in food preparation, food storage, utensil cleaning, and utensil storage areas.

When information as to the possibility of disease transmission is presented to an enforcement officer, he or she shall investigate conditions and take appropriate action. The enforcement officer

may, after investigation and for reasonable cause, require any or all of the following measures to be taken:

(a) The immediate exclusion of any employee from the affected food facility.

(b) The immediate closing of the food facility until, in the opinion of the enforcement officer, no further danger of disease outbreak exists. Any appeal of the closure shall be made in writing within five days to the applicable enforcement agency.

(c) A medical examination of any employee, with such laboratory examination as may be indicated. Should a medical examination be refused by an employee, the enforcement officer may require the immediate exclusion of the refusing employee from that or any other food facility until an acceptable medical or laboratory examination shows that the employee is not affected with a disease in a communicable form.

27606. No insecticide, rodenticide, or other poisonous substance shall be stored in any food preparation area, except in a separate enclosure provided for that purpose. All poisonous substances, detergents, bleaches, cleaning compounds, or any other injurious or poisonous material shall be specifically and plainly labeled as to contents and hazardous use and shall be stored only in their original, labeled container. No such product shall be used or stored in a manner as to cause contamination or adulteration of food, food contact surfaces, or utensils.

27607. A food facility shall at all times be so constructed, equipped, maintained, and operated as to prevent the entrance and harborage of animals, birds, and vermin, including, but not limited to, rodents and insects.

27608. Each food facility shall be provided with such facilities and equipment as are necessary to store or dispose of all waste material. All food waste and rubbish containing food waste shall be kept in leakproof and rodentproof containers covered with close-fitting lids, except that containers kept inside establishments need not be covered during periods of use. All food waste and rubbish shall be removed and disposed of in a sanitary manner as frequently as may be necessary to prevent the creation of a nuisance. Putrescible waste, when stored in waste receptacles commonly known as bins or dumpsters, shall first be placed in a disposable bag which is impervious to moisture and of a strength equal to or exceeding National Sanitation Foundation Standard Number 31 or 32, as applicable, and then sealed.

27609. The premises of each food facility shall be kept clean and free of litter, rubbish, and vermin.

27610. (a) Except as otherwise provided in subdivision (b), no live animal, bird, or fowl shall be kept or allowed in any food facility.

(b) Subdivision (a) shall not apply to dogs being used by the blind, signal dogs, service dogs, such dogs in training under proper supervision, or to dogs under the control of uniformed law enforcement officers or of uniformed employees of a private patrol

service who are licensed pursuant to Chapter 11 (commencing with Section 7500) of Division 3 of the Business and Professions Code, while these employees are acting within the course and scope of their employment as private patrolmen. All such dogs shall be excluded from food preparation and utensil wash areas. Aquariums and aviaries shall be allowed if enclosed so as not to create a public health problem.

27611. All food facilities and all equipment, utensils, and facilities shall be kept clean, fully operative, and in good repair.

27612. Frozen food shall be kept frozen except as provided in Section 27622.

27613. (a) Manual sanitization shall be accomplished in the final sanitizing rinse by one of the following:

(1) Contact with a solution of 100 ppm available chlorine solution for 30 seconds.

(2) Contact with a solution of 25 ppm available iodine for one minute.

(3) Contact with a solution of 200 ppm quaternary ammonium for one minute.

(4) Contact with water of at least 80 degrees Celsius (180 degrees Fahrenheit) for 30 seconds.

(b) In-place sanitizing shall be as in paragraph (1), (2), (3), or (4) of subdivision (a).

(c) Other methods may be used if approved by the department.

(d) Testing equipment and materials shall be provided to adequately measure the applicable sanitization method.

27614. All new and replacement equipment shall meet or be equivalent to applicable National Sanitation Foundation (NSF) standards or, in the absence of applicable NSF standards, be approved by the enforcement officer.

27615. Each food facility wherein sulfiting agents are added to food to preserve natural appearance and freshness shall have conspicuously displayed and easily readable signs, labels, or menu statements to inform customers of that use. Sulfites shall not be added to potentially hazardous foods.

Article 8. Sanitation Requirements for Food Establishments

27620. This article governs sanitation requirements for food establishments, as defined in this chapter.

27621. (a) Adequate and suitable space shall be provided for the storage of food. Except for large or bulky food containers, all food shall be stored at least 15 centimeters (6 inches) off the floor or under such other conditions as are approved. Containers may be stored on dollies, racks, or pallets not meeting this height requirement, provided these items are easily movable. All cartons, boxes, or other materials used in the packaging of any food shall be protected at all times from dirt, vermin, and other forms of contamination or adulteration. All returned or damaged food products and food

products from which the label has been removed shall be separated and stored in a separate area and in such a manner as to prevent adulteration of other foods and shall not contribute to a vermin problem. Bulk food not stored in original packaging shall be stored in containers identifying the food by common name.

(b) A display of unpackaged food shall be shielded so as to intercept a direct line between the customer's mouth and the food being displayed, or shall be in a self-service container which has a tight-fitting, securely attached lid. This subdivision shall not apply to produce sold or given away in retail grocery stores, produce stands, or commissaries.

(c) Unpackaged processed food, except potentially hazardous food as defined in Section 27531, may be displayed and sold in bulk in self-service containers in grocery stores, if all of the following conditions are satisfied:

(1) Each self-service container has a utensil with a handle for dispensing the product, or the food may be dispensed from approved mechanical dispensers.

(2) A label is conspicuously displayed in plain view of the customer and securely attached to each self-service container, or in clear relationship thereto, which contains all of the following:

(A) The common name of the product.

(B) A declaration of the ingredients used by their common or usual name in descending order of predominance by weight. This declaration shall be provided in writing to the food establishment by the manufacturer, packer, or distributor.

(3) Nonfood items shall be displayed and stored in an area separate from food.

(d) Unpackaged processed food may be displayed and sold in bulk in other than self-service containers if both of the following conditions are satisfied:

(1) The food is served by an employee of the food establishment directly to a consumer.

(2) The food is displayed in clean, sanitary, and covered or otherwise protected containers.

(e) If the director makes a specific finding that a disease is actually transmitted by the method of dispensing unpackaged processed foods, as prescribed by this section, the director may establish by regulation greater restrictions on the sale of such food than are required by this section. These regulations shall bear directly on the specific relationship between the disease actually transmitted and the dispensing methods permitted by this section.

27622. (a) All frozen food shall be kept at a temperature which will keep the food in the frozen state until ready for processing or preparation. No food which has been thawed shall be refrozen unless it has been cooked or processed.

(b) Potentially hazardous frozen foods shall be thawed only:

(1) In refrigeration units.

(2) Under potable running water of sufficient velocity to flush

loose food particles into the sink drain.

(3) In a microwave oven.

(4) As part of the cooking process.

27623. (a) All utensils and equipment shall be scrapped, cleaned, or sanitized as circumstances require.

(b) All food establishments in which food is prepared or in which multiservice kitchen utensils are used shall have at least a two-compartment metal sink with two integral metal drainboards. The sink compartments and drainboards shall be large enough to accommodate the largest utensil used. A one-compartment utensil sink which is in use on January 1, 1985, may be continued in use until replaced.

(c) All food establishments in which multiservice consumer utensils are used shall clean such utensils in one of the following ways:

(1) Handwashing of utensils using a three-compartment metal sink with dual integral metal drainboards where the utensils are first washed by hot water and a cleanser until they are clean, then rinsed in clear, hot water before being immersed in a final warm solution meeting the requirements of Section 27613.

(2) Machine washing of utensils in machines using a hot water or chemical sanitizing rinse shall conform to National Sanitation Foundation (NSF) standards, and shall be installed and operated in accordance with those standards. The machines shall be of a type, and shall be installed and operated as approved by the department. The velocity, quantity, and distribution of the washwater, type and concentration of detergent used therein, and the time the utensils are exposed to the water, shall be such as to clean the utensils. The quantity and pressure of rinse water and the time of exposure shall be such as to provide bactericidal effectiveness equivalent to that provided by compliance with NSF standards, or more restrictive standards if approved by the department. All new spray-type dish machines designed for hot water sanitizing shall be equipped with a self-sealing temperature and pressure test plug. The test plug shall be located immediately upstream of the rinse manifold in a horizontal position and on the machine exterior.

(3) A two-compartment metal sink, having metal drainboards, equipped for hot water sanitization, which is in use on January 1, 1985, may be continued in use until replaced.

(4) Other methods may be used after approval by the department.

(d) Hot and cold water under pressure shall be provided through a mixing valve to each sink compartment in all food establishments constructed on or after January 1, 1985.

(e) All utensil washing equipment, except undercounter dish machines, shall be provided with two integral metal drainboards of adequate size and construction. One such drainboard shall be attached at the point of entry for soiled items and one shall be attached at the point of exit for cleaned and sanitized items. Where an undercounter dish machine is used, there shall be two metal

drainboards, one for soiled utensils and one for clean utensils, located adjacent to the machine. The drainboards shall be sloped and drained to an approved waste receptor. This requirement may be satisfied by using the drainboards appurtenant to sinks as required in subdivision (b) and paragraph (1) of subdivision (c), if such facilities are located adjacent to the machine.

(f) The handling of cleaned and soiled utensils, equipment, and kitchenware shall be undertaken in such a manner as to preclude possible contamination of cleaned items with soiled items.

(g) All utensils, display cases, windows, counters, shelves, tables, refrigeration units, sinks, dishwashing machines, and other equipment or utensils used in the preparation, sale, service, and display of food shall be made of nontoxic, noncorrosive materials, shall be constructed, installed, and maintained to be easily cleaned, and shall be kept clean and in good repair.

(h) Utensils and equipment shall be handled and stored so as to be protected from contamination. Single-service utensils shall be obtained only in sanitary containers or approved sanitary dispensers, stored in a clean, dry place until used, handled in a sanitary manner, and used once only.

27624. An adequate, protected, pressurized, potable supply of hot water, at least 47 degrees Celsius (120 degrees Fahrenheit), and cold water shall be provided. The water supply shall be from a water system approved by the health officer. Any hose used for conveying potable water shall be constructed of nontoxic materials, shall be used for no other purpose, and shall be clearly labeled as to its use. The hose shall be stored and used so as to be kept free of contamination.

27625. All plumbing and plumbing fixtures shall be installed in compliance with local plumbing ordinances, shall be maintained so as to prevent any contamination, and shall be kept clean, fully operative, and in good repair.

All liquid wastes shall be disposed of through the plumbing system which shall discharge into the public sewerage or into an approved private sewage disposal system.

All steam tables, ice machines and bins, food preparation sinks, display cases, and other similar equipment which discharge liquid waste shall have this waste conveyed by a closed system, such as by a tube or rigid pipe, to an approved sewer line and disposed therein by an indirect connection. Drainage from refrigeration units shall be conducted in a sanitary manner to a floor sink or other approved device by an indirect connection or to a properly installed and functioning evaporator. Indirect waste receptors shall be located to be readily accessible for inspection and cleaning. Dishwashing machines may be connected directly to the sewer immediately downstream from a floor drain or they may be drained through an approved indirect connection.

27626. In each food establishment constructed or extensively remodeled on or after January 1, 1985, there shall be provided clean

toilet facilities in good repair for use by employees. The number of toilet facilities required shall be in accordance with local building and plumbing ordinances. Toilet facilities whose construction begins on or after January 1, 1985, and which are provided for use by patrons, shall be so situated that patrons do not pass through food preparation, food storage, or utensil washing areas. Toilet rooms shall be separated from other portions of the food establishment by well-fitting, self-closing doors or by other methods approved by the enforcement officer. Toilet rooms shall not be used for the storage of food, equipment, or supplies. Toilet tissue shall be provided in a permanently installed dispenser at each toilet.

27627. Handwashing facilities shall be provided within or adjacent to toilet rooms and shall be equipped with an adequate supply of hot and cold running water under pressure. Facilities constructed on or after January 1, 1985, shall have such water provided from a combination faucet, or water from a premixing faucet which supplies warm water for a minimum of 10 seconds while both hands are free for washing. The number of handwashing facilities required shall be in accordance with local building and plumbing ordinances. Handwashing cleanser and single-use sanitary towels or hot-air blowers shall be provided in dispensers at, or adjacent to, handwashing facilities. Food establishments beginning construction or extensive remodeling on or after January 1, 1985, shall provide facilities exclusively for handwashing within, or adjacent to, each kitchen.

27627.3. Clean toilet facilities, in good repair, shall be provided for patrons, guests, or invitees on property used in connection with, or in, each grocery store with more than 20,000 square feet of floor space.

For the purposes of this section, the gas pump area of a service station which is maintained in conjunction with a grocery store shall not be considered as property used in connection with the grocery store or be considered in determining the square footage of floorspace of the grocery store.

There shall be at least one separate toilet facility for men and one separate toilet facility for women. Toilet rooms shall be separated by well-fitted, self-closing doors that prevent passage of flies, dust, or odors.

Handwashing facilities, in good repair, shall be provided for patrons, guests, or invitees within or adjacent to toilet rooms and shall be equipped with hot and cold running water. Handwashing detergent or soap and sanitary towels or hot-air blowers shall be provided at handwashing facilities in permanently installed dispensing devices. Notwithstanding any other provision of law, other than Section 27627.5, a violation of this section shall be an infraction.

27627.5. The requirements of Section 27627.3 for restroom facilities which are accessible to patrons, guests, or invitees on the property may be satisfied by permitting access by those persons to

the toilet and handwashing facilities which are required by other provisions of this chapter.

However, if the requirements of Section 27627.3 are satisfied by permitting access by those persons to the toilet and handwashing facilities which are required by other provisions of this chapter, a violation of these provisions shall be a misdemeanor punishable pursuant to Section 27562.

27627.7. Sections 27627.3 and 27627.5 apply only to grocery stores as to which construction is commenced on or after July 1, 1984.

27628. A room, enclosure, or designated area, separated from toilets, food storage, food preparation areas, and utensil washing areas, shall be provided where employees may change and store clothes. No employee shall store clothing or personal effects in any other area on the premises.

27629. Ventilation shall be provided to remove gases, odors, steam, heat, grease, vapors, or smoke from the food establishment.

All areas shall have sufficient ventilation to facilitate proper food storage and to provide a reasonable condition of comfort for any employee, consistent with the job performed by the employee. On or after January 1, 1985, there shall be provided mechanical exhaust ventilation at or above all newly installed cooking equipment as required in Article 10.4 (commencing with Section 13670) of Title 17 of, and Chapter 4-20 (commencing with Section 4-2000) of Part 4 of Title 24 of, the California Administrative Code.

The provisions of this section shall not apply to cooking equipment when such equipment has been submitted to the department for evaluation, and it has found that the equipment does not produce toxic gases, smoke, grease, vapors, and heat when operated under conditions recommended by the manufacturer.

Toilet rooms shall be vented to the outside air by means of an openable, screened window, an air shaft, or a light-switch-activated exhaust fan, consistent with the requirements of local building codes.

27630. Each food establishment, except produce stands, shall be fully enclosed in a building consisting of floors, walls, and overhead structure which meet the minimum standards prescribed by this chapter. Food establishments which are not fully enclosed on all sides and which are in operation on January 1, 1985, shall not be required to meet the requirement for a fully enclosed structure pursuant to this section. This section shall not be construed to require the enclosure of dining areas or open-air barbecue facilities.

27631. (a) Except in dining areas and as otherwise provided in subdivision (d), the floor surfaces in all areas in which food is prepared, packaged, or stored, where any utensil is washed, where refuse or garbage is stored, and where janitorial facilities are located, and in all toilet and handwashing areas, shall be smooth and of such durable construction and nonabsorbent material as to be easily cleaned.

These floor surfaces shall be coved at the juncture of the floor and wall with a 10 millimeter (⅜ inch) minimum radius coving and shall

extend up the wall at least 15 centimeters (6 inches) except in areas where food is stored only in unopened bottles, cans, cartons, sacks, or other original shipping containers.

(b) Upon new construction or extensive remodeling on or after January 1, 1985, floor drains shall be installed as follows:

(1) In floors that are water-flushed for cleaning.

(2) In areas where pressure spray methods for cleaning equipment are used.

Floor surfaces in areas pursuant to this subdivision shall be sloped 1:50 to the floor drains.

(c) Upon new construction or extensive remodeling on or after January 1, 1985, floor sinks, funnel drains, or equivalent devices shall be installed to receive discharges of water or other fluid waste from equipment.

(d) Except for dining and serving areas, the use of sawdust, wood shavings, peanut hulls, or similar materials is prohibited.

(e) This section shall not prohibit the use of approved dust-arresting floor sweeping and cleaning compounds during floor cleaning operations or the use of approved anti-slip floor materials in areas where necessary for safety reasons.

(f) Food establishments which are in operation on January 1, 1985, and in which sawdust is used as an absorbent in meat holding units may continue this use until the floor is replaced.

27632. The walls and ceilings of all rooms, except for bars, rooms where food is stored in unopened containers, and dining areas, shall be of a durable, smooth, nonabsorbent, washable surface. Walls and ceilings of food preparation and utensil washing areas and interior surfaces of walk-in refrigeration units shall also be light-colored. Wall areas adjacent to bar sinks shall be smooth and easily cleanable. Acoustical paneling may be utilized providing it is installed not less than 1.8 meters (6 feet) above the floor. Any perforations shall not penetrate the entire depth of the panel, shall not be greater than 3 millimeters (⅛ inch) in any dimension, and shall not comprise more than 25 percent of the exposed panel surface. The paneling shall otherwise meet the requirements of this section.

Conduits of all types shall be installed within walls as practicable. When otherwise installed, they shall be mounted or enclosed so as to facilitate cleaning.

27633. Adequate and suitable space shall be provided for the storage of clean linens, including apparel, towels, and cleaning cloths.

Soiled linens, apparel, towels, tablecloths, and cleaning cloths shall be kept in cleanable containers provided only for this purpose and shall not be reused until they have been laundered.

27634. (a) A room, area, or cabinet separated from any food preparation or storage area, or utensil washing or storage area, shall be provided for the storage of cleaning equipment and supplies, such as mops, buckets, brooms, cleansers, and waxes.

(b) Any food establishment constructed or extensively remodeled on or after January 1, 1985, shall be equipped with at least one of the

following to be used exclusively for general cleaning purposes and for the disposal of mop bucket wastes and other liquid wastes:

(1) A one-compartment, nonporous janitorial sink.

(2) A slab, basin, or floor constructed of concrete or equivalent material, curbed and sloped to a drain. Such facilities shall be connected to approved sewerage and provided with hot and cold running water through a mixing valve and protected with a backflow protection device.

27635. In every room and area in which any food is prepared, manufactured, processed, or packaged, or in which utensils are cleaned, sufficient natural or artificial lighting shall be provided to produce an intensity of not less than 215 lux (20 footcandles) as measured 76 centimeters (30 inches) above the floor, except that the working surfaces on which alcoholic beverages are prepared or where utensils used in the preparation or service of alcoholic beverages are cleaned, shall be provided with at least 108 lux (10 footcandles) of light. Food and utensil storage rooms, refrigeration storage, and toilet and dressing rooms shall be provided with at least 108 lux (10 footcandles) of light. Light fixtures in areas where food is prepared or where open food is stored or where utensils are cleaned shall be of shatterproof construction or shall be protected with shatterproof shields and shall be readily cleanable.

During general cleanup activities, at least 215 lux (20 footcandles) of light, measured 76 centimeters (30 inches) above the floor, shall be provided in the area being cleaned, including, but not limited to, areas where alcoholic beverages are prepared or served.

27636. No sleeping accommodations shall be maintained or kept in any room where food is prepared, stored, or sold. All living and sleeping quarters shall be separated from the food establishment. No door or other opening shall be permitted in the partition which separates the food establishment from the living or sleeping quarters.

27637. (a) The department shall adopt and approve first aid instructions designed and intended for use in removing food which may become stuck in a person's throat. These instructions shall be limited to first aid techniques not involving the use of any physical instrument or device inserted into the victim's mouth or throat.

(b) The department shall supply to the proprietor of every on-site eating establishment adopted and approved instructions pursuant to subdivision (a). The proprietor shall post the instructions in a conspicuous place or places, which may include an employee notice board, in order that the instructions may be consulted by anyone attempting to provide relief to a victim in a choking emergency.

(c) In the absence of other evidence of noncompliance with this section, the fact that the instructions were not posted as required by this section at the time of a choking emergency shall not in and of itself subject the proprietor or his or her employees or independent contractors to liability in any civil action for damages for personal injuries or wrongful death arising from a choking emergency.

(d) Nothing in this section shall impose any obligation on any

person to remove, assist in removing, or attempt to remove food which has become stuck in another person's throat. In any action for damages for personal injuries or wrongful death, neither the proprietor nor any person who removes, assists in removing, or attempts to remove such food in accordance with instructions adopted by the department shall be liable for any civil damages as a result of any acts or omissions by such person in rendering emergency assistance.

Article 9. Open-air Barbecue Facilities

27640. This article governs sanitation requirements for open-air barbecue facilities as defined in this chapter.

27641. Notwithstanding the provisions of this chapter, neither the state department nor any city, county, or city and county shall require the enclosure of an open-air barbecue facility if the appropriate enforcement officer determines that the barbecue facility meets all of the following requirements:

(a) The facility is operated on the same premises as, in reasonable proximity to, and in conjunction with, a food establishment.

(b) All food waste and rubbish containing food waste is handled in accordance with the requirements of Section 27608.

(c) The facility is operated in compliance with the provisions of Articles 6 (commencing with Section 27590) and 7 (commencing with Section 27600), except for Sections 27607, 27610, and 27613.

(d) The multiuse utensils and equipment used in conjunction with the open-air barbecue facility are made of nontoxic materials, are constructed and maintained in a manner so they can be easily cleaned, and are kept clean and in good repair.

(e) Food and beverages served out of doors are dispensed from units approved by the enforcement officer. No other food may be prepared or stored in the out of doors, except for food cooked on the open-air barbecue unit.

(f) No live animals, birds, or fowl are kept or allowed in an area within 20 feet of any area where food or beverage is prepared, stored, kept, or served. This subdivision does not apply to guide dogs used by the blind, signal dogs used by deaf persons or persons whose hearing is impaired, service dogs used by physically handicapped persons, or dogs used by uniformed employees of private patrol operators and operators of a private patrol service who are licensed pursuant to Chapter 11 (commencing with Section 7500) of Division 3 of the Business and Professions Code, while those employees are acting within the course and scope of their employment as private patrolmen.

As used in this subdivision, "guide dog," "signal dog," and "service dog" have the meanings specified in Section 54.1 of the Civil Code.

(g) If the barbecue facility is a permanent structure, it is equipped with an impervious and easily cleaned floor surface that extends a minimum of five feet from the open-air barbecue facility on all open

sides.

(h) The barbecue facility is located in an area reasonably protected from dust, as determined by the enforcement officer.

(i) The barbecue facility is not operated in, or out of, any motor vehicle or in any area or location that may constitute a fire hazard, as determined by the enforcement officer.

(j) Sanitary facilities, including, but not limited to, toilet facilities and handwashing facilities shall be available for use within 200 feet of the barbecue facility and shall comply with all provisions of this chapter. Sanitary facilities that do not meet the requirements of this chapter shall not be located closer to the barbecue facility than the sanitary facilities required to be provided by this section.

27642. No air pollution control district or air quality management district shall require the enclosure of an open-air barbecue facility if the appropriate enforcement officer determines that the barbecue facility meets all requirements prescribed by Section 27641.

Article 10. Vending Machines

27650. This article governs sanitation requirements for vending machines as defined in this chapter.

27651. Each vending machine or machine location shall have posted in a prominent place a sign indicating the owner's name, address, and telephone number.

27652. All food shall be stored and packaged in clean, protected containers, and handled, transported, and vended in a sanitary manner. Wet storage of packaged products is prohibited.

Potentially hazardous food shall be dispensed to the consumer in the original package into which it was placed at the commissary or processing plant. Bulk potentially hazardous food is prohibited.

27653. All food contact surfaces shall be cleaned and sanitized either in place in a machine so designed and approved or by removing from the machine and cleaning and sanitizing at an approved facility.

All food contact surfaces when removed from the machine after cleaning and sanitizing shall be protected from contamination before being returned to the machine.

A record of cleaning and sanitizing shall be maintained by the operator in each machine and shall be current for at least the past 30 days.

27654. Single-service containers which are used in machines dispensing products in bulk, shall be obtained in sanitary packages, shall be stored in a clean, dry place until used, and shall be handled in a sanitary manner. The containers shall be stored in the original package until introduced into the container magazine or dispenser of the vending machine. The containers stored within the vending machine shall be protected from manual contact, dirt, vermin, and other contamination.

27655. Each vending machine shall be located in a room, area, or

space which shall minimize the potential for contamination of food. The floor area upon which vending machines are located shall be smooth, of cleanable construction, and capable of withstanding repeated washing and scrubbing.

27656. Water used in vending machines shall be potable.

27657. While in transit to machine locations, food, single-service containers, and equipment shall be protected from dirt, vermin, and other contamination.

27658. On or after January 1, 1985, all vending machines shall be constructed in accordance with National Sanitation Foundation or National Automatic Merchandizing Association standards, or the equivalent thereof.

27659. Vending machines shall meet all the requirements of Article 6 (commencing with Section 27590) and applicable sections of Article 7 (commencing with Section 27600).

Article 11. Vehicles

27670. This article governs sanitation requirements for vehicles as defined in this chapter.

27671. The name, address, and telephone number of the owner, operator, permittee, business name, or commissary shall be clearly and permanently indicated on both sides of a vehicle exterior. The name shall be in letters at least 8 centimeters (3 inches) high and shall have strokes at least 1 centimeter (⅜ inch) wide, and shall be of a color contrasting with the vehicle exterior. Letters for address and telephone numbers shall not be less than 2.5 centimeters (1 inch) high.

27672. (a) Equipment on a vehicle, including the interior of cabinet units or compartments, shall be equipped so as to have smooth, easily accessible, and easily cleanable surfaces. Unfinished wooden surfaces are not permitted. Construction joints shall be tightly fitted and sealed so as to be readily cleanable. Equipment, including utensils, shall be constructed of nontoxic materials and shall be readily cleanable.

(b) All food displayed, sold, or offered for sale from vehicles shall be prepackaged at a facility approved by the enforcement agency except as provided in Sections 27673 and 27675.

(c) During operation, no food shall be stored, displayed, or served from any place other than the vehicle.

(d) Food condiments shall be protected from contamination and, where available for self-service, shall be prepackaged or available only from approved dispensing devices.

(e) During transportation and storage, food and food contact surfaces shall be protected from contamination.

(f) All vehicles shall operate out of a commissary or other facility approved by the enforcement agency. Vehicles shall report to the commissary at least once each operating day for cleaning and servicing operations. In addition, vehicles whereon nonprepackaged

hot dogs are handled shall be properly stored at a commissary or other facility approved by the enforcement agency so as to be protected from unclean or unsanitary conditions.

(g) Food products remaining after each day's operation shall be stored only in an approved food facility.

(h) Utensils and equipment shall be handled and stored so as to be protected from contamination. Single-service utensils shall be obtained only in sanitary containers or approved sanitary dispensers, stored in a clean, dry place until used, handled in a sanitary manner, and used once only.

(i) All waste water shall be drained to an approved water receptor.

(j) Potentially hazardous foods shall be maintained at or below 7 degrees Celsius (45 degrees Fahrenheit) or at or above 60 degrees Celsius (140 degrees Fahrenheit) at all times.

(k) Vehicular food sales shall be conducted within 60 meters (200 feet) of approved and readily available toilet and handwashing facilities or as otherwise approved by the enforcement officer to ensure proper sanitary facilities are available to the vehicle employee.

27673. (a) The following foods may be sold from vehicles in an unpackaged state, provided the storage, display, and dispensing methods are approved by the enforcement agency:

(1) Popcorn.

(2) Nuts.

(3) Produce.

(4) Pretzels and similar bakery products.

(5) Candy.

(6) Hot dogs.

(7) Snowcones.

(8) Whole fish and whole aquatic invertebrates.

(b) Hot and cold beverages which are not potentially hazardous, as defined in Section 27531, may be sold from approved bulk dispensing units.

(c) Vehicles selling or offering for sale nonprepackaged foods except produce and approved beverages shall be equipped with a food compartment as specified in subdivision (a) of Section 27675. In addition, those vehicles handling nonprepackaged hot dogs shall comply with subdivisions (b), (c), (d) and (e) of Section 27675. Those vehicles handling unpackaged whole fish and aquatic invertebrates shall comply with subdivision (e) of Section 27675, for drainage of waste water from display and storage compartments.

27674. All potentially hazardous food shall be prepackaged in an approved facility except as provided in Section 27675. A tamale shall be considered prepackaged if dispensed to the customer in its original, inedible wrapper.

27675. Vehicles on which nonprepackaged hot dogs are sold or offered for sale shall, in addition to the requirements of Section 27672, be constructed and equipped as follows:

(a) The food compartment shall be completely closed. The opening to the food compartment shall be sufficiently large to permit food assembly and service operations and shall be provided with a tightly fitted closure which, when closed, protects interior surfaces from dust, debris, and vermin. All food compartments and food contact surfaces shall be constructed so as to be smooth, easily accessible, and easily cleanable.

(b) A one-compartment metal sink furnished with warm running water which is at least 38 degrees Celsius (101 degrees Fahrenheit) and cold water. The sink shall be of a size suitable for washing hands and utensils.

(c) Handwashing cleanser and single-service towels.

(d) A water supply tank of at least 18 liters (5 gallons) capacity.

(e) A waste water tank of at least 28 liters (7.5 gallons) capacity.

27676. Vehicles on which nonprepackaged hot dogs are sold or offered for sale that operate exclusively on premises wherein approved toilet, handwashing, and utensil washing facilities are readily available and within 60 meters (200 feet) shall be exempt from the requirements of subdivisions (b) through (e) of Section 27675.

Article 12. Mobile Food Preparation Units and Commissaries

27790. This article governs sanitation requirements for mobile food preparation units and commissaries as defined in this chapter.

27791. All mobile food preparation units and commissaries shall meet the applicable requirements in Article 6 (commencing with Section 27590), Article 7 (commencing with Section 27600), and Article 8 (commencing with Section 27620), unless specifically exempted from any of these provisions as provided in this article, and shall meet the provisions of Article 10 (commencing with Section 13600) of, and Article 10.1 (commencing with Section T17-13611) of subchapter 2 of Chapter 5 of Part 1 of Title 17 of the California Administrative Code. Mobile food preparation units shall be exempt from the requirements of Sections 27626 and 27628, and subdivision (b) of Section 27634.

Article 13. Temporary Food Facilities

27800. This article governs sanitation requirements for temporary food facilities as defined in this chapter.

27801. (a) Floors shall be smooth and cleanable. The use of sawdust or similar materials is prohibited.

(b) Walls and ceilings shall be constructed of either wood, canvas, plastic, or similar material and fine mesh fly screening and shall completely enclose the facility. Facilities wherein all food and beverage is prepackaged at a facility approved by the local enforcement officer shall not be required to be fully enclosed with fly screening. Food service openings shall be equipped with

tightfitting closures to minimize the entrance of insects.

(c) Except where all food and beverage is prepackaged, handwashing and utensil washing facilities approved by the enforcement officer shall be provided within temporary food facilities.

(d) Facilities for the sanitary disposal of all liquid waste shall be subject to the approval of the enforcement officer.

(e) At least one toilet facility for each 15 employees shall be provided within 60 meters (200 feet) of each temporary food facility.

(f) Food contact surfaces shall be smooth, easily cleanable, and nonabsorbent.

27802. (a) All food shall be prepared in a food establishment or on the premises of a temporary food facility. No food or beverage stored or prepared in a private home may be offered for sale, sold, or given away from a temporary food facility.

(b) All food and beverage shall be protected at all times from unnecessary handling and shall be stored, displayed and served so as to be protected from contamination.

(c) Potentially hazardous food and beverage shall be maintained at or below 7 degrees Celsius (45 degrees Fahrenheit) or at or above 60 degrees Celsius (140 degrees Fahrenheit) at all times.

(d) Ice used in beverages shall be protected from contamination and shall be maintained separate from ice used for refrigeration purposes.

(e) All food and food containers shall be stored off the floor on shelving or pallets located within the facility.

(f) Smoking is prohibited in temporary food facilities.

(g) Live animals, birds, or fowl are not permitted in temporary food facilities

(h) All garbage shall be disposed of in a manner approved by the enforcement officer.

(i) Employees preparing or handling food shall wear clean clothing and shall keep their hands clean at all times.

27803. The enforcement officer may establish additional structural or operational requirements as necessary to ensure that food is of a safe and sanitary quality.

Article 14. Produce Stands

27820. This article governs sanitation requirements for produce stands as defined in this chapter.

27821. (a) Produce stands operated by a producer selling or offering for sale produce or shell eggs, or both, are exempt from the provisions of this chapter, provided the produce stand is operated on premises controlled by the producer.

(b) For purposes of this section, "producer" means a person or entity who produces shell eggs, fruits, nuts, or vegetables by practice of the agricultural arts upon land which the person or entity controls.

All other produce stands shall meet the requirements of Articles

6 (commencing with Section 27590), 7 (commencing with Section 27600), and 8 (commencing with Section 27620), except for the following:

(a) All food shall be stored at least 46 centimeters (18 inches) off the floor, except that food stored in a walk-in refrigeration unit shall be stored at least 13 centimeters (5 inches) off the floor.

(b) Food preparation is prohibited.

(c) Unpackaged prepared foods, other than trimmed produce, shall not be kept at such food establishments. This shall not apply to retail dairy processing rooms.

Article 15. Certified Farmers' Markets

27830. This article governs general sanitation requirements for certified farmers' markets, as defined in this chapter.

27831. Certified farmers' markets shall meet the provisions of Article 6 (commencing with Section 27590) and, in addition, shall meet all of the following requirements:

(a) All food shall be stored at least 15 centimeters (6 inches) off the floor or ground or under any other conditions which are approved.

(b) Food preparation is prohibited.

(c) Approved toilet and handwashing facilities shall be available within 60 meters (200 feet) of the premises of the certified farmers' market or as approved by the enforcement officer.

(d) No live animals, birds, or fowl are kept or allowed within 6 meters (20 feet) of any area where food is stored or held for sale. This subdivision does not apply to guide dogs, signal dogs, or service dogs when used within the meaning specified by Section 54.1 of the Civil Code.

(e) All garbage and rubbish shall be stored, and disposed of, in a manner approved by the enforcement officer.

Article 16. Satellite Food Distribution Facilities

27840. This article governs general sanitation requirements for satellite food distribution facilities as defined in this chapter.

27841. All satellite food distribution facilities shall be subject to the applicable provisions of Article 6 (commencing with Section 27590) and Article 7 (commencing with Section 27600) and, in addition, shall meet all of the following requirements:

(a) All utensils and equipment shall be scrapped, cleaned, or sanitized as circumstances require.

(b) Utensils and equipment shall be handled and stored so as to be protected from contamination. Single-service utensils shall be contained only in sanitary containers or approved sanitary dispensers, stored in a clean, dry place until used, handled in a sanitary manner, and used once only.

SEC. 2. Chapter 6 (commencing with Section 28190) of Division

22 of the Health and Safety Code is repealed.

SEC. 3. Chapter 11 (commencing with Section 28520) of Division 22 of the Health and Safety Code is repealed.

SEC. 4. Chapter 14 (commencing with Section 28800) of Division 22 of the Health and Safety Code is repealed.

SEC. 5. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

SEC. 6. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 257

An act to add Article 9.6 (commencing with Section 31144) to Chapter 1 of Part 5 of Division 12 of the Water Code, relating to water districts, and in this connection, to create the Pajaro Valley Water Management Agency, prescribing its boundaries, organization, operation, management, financing, and other powers and duties, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 27, 1984 Filed with Secretary of State June 27, 1984.]

The people of the State of California do enact as follows:

SECTION 1. This act shall be known and may be cited as the Pajaro Valley Water Management Agency Act.

Article 1. Legislative Findings

Sec. 101. The Legislature hereby finds and declares that the management of the water resources within the Pajaro Valley Water Management Agency for agricultural, municipal, industrial, and other beneficial uses is in the public interest and that the creation of a water agency pursuant to this act is for the common benefit of all water users within the agency.

Sec. 102. Water resource management activities carried out under this act in the public interest shall recognize the following objectives:

(a) Local groundwater resources should be managed toward the avoidance and eventual prevention of conditions of long-term overdraft, land subsidence, and water quality degradation.

(b) Local economies should be built and sustained on reliable, long-term supplies and not long-term overdraft as a source of water supply.

(c) Water management programs should include reasonable measures to prevent further increases in the amount of long-term overdraft and to accomplish continuing reduction in long-term overdraft, realizing that an immediate reduction in long-term overdraft may cause severe economic loss and hardship.

(d) Conservation and economically efficient management of water resources are necessary to meet the needs of agriculture, industry, and urban communities. Economic efficiency requires that water users pay their full proportionate share of the costs of developing and delivering water. Property taxes shall not be used for payment of these costs. Agricultural uses shall have priority over other uses under this act within the constraints of state law.

(e) Water conservation programs appropriately include the ability of a water management agency to recognize existing beneficial uses, and to acquire, buy, and transfer water and water rights in the furtherance of its purposes.

(f) The purpose of this agency is to efficiently and economically manage existing and supplemental water supplies in order to prevent further increase in, and to accomplish continuing reduction of, long-term overdraft and to provide and insure sufficient water supplies for present and anticipated needs within the boundaries of the agency.

(g) It is anticipated that long-term overdraft problems may not be solved unless supplemental water supplies are provided. The water management agency should, in an efficient and economically feasible manner, utilize supplemental water and available underground storage and should manage the groundwater supplies to meet the future needs of the basin.

Article 2. Boundaries

Sec. 201. For the purposes of this act, the boundaries of the Pajaro Valley Water Management Agency are as follows:

(a) The northern boundary of the agency is as follows:

Commencing at the Pacific Ocean and the most southerly boundary of the Soquel Creek County Water District and beginning at a point at the intersection of the south boundary of county road by deed recorded in Volume 294 of Official Records, Page 211, Santa Cruz County Records; that point being also at the mean high water line as shown and delineated on Record of Survey filed in Book 33 of Maps, Page 81, Santa Cruz County Records; thence from that point of beginning along the south boundary of that county road N. 77° 46' 50" E. 179.76 to Station One as shown on that map; thence S. 29° 29'

44" E. 946.39 feet to the northwest corner of Tract 295, Place De Mer, Unit No. 1, as shown on the map filed for record in Volume 37 of Maps, Page 52, Santa Cruz Records; thence along the north. boundary of that tract North 86° 33' 26" E. 537.60 feet to a station; thence along a curve to the left having a radius of 100.00 feet, through a central angle of 65° 05', an arc distance of 113.59 feet; thence N. 21° 28' 26" E. 247.42 feet to a station; thence along a curve to the left having a radius of 20.00 feet, through a central angle of 84° 54' 06" an arc distance of 29.64 feet to a point on the south boundary of San Andreas Road; thence northeasterly 70.00 feet more or less to the southeast corner of the lands of Bruce McBain by deed recorded in Volume 1787 of Official Records, Page 374, Santa Cruz County Records; thence along the east boundary of those lands of McBain produced N. 21° 30' 40" E. 480 feet (scaled) to a station on the north boundary of the Southern Pacific Railroad; thence along the northerly boundary of the Southern Pacific Railroad in a northwesterly direction to its intersection with a line, from which Station No. 28 on the centerline of San Andreas Road, as shown on the Map of Tract No. 1, La Selva Beach, filed January 26, 1936, in Map Book 26, Page 2, Santa Cruz County Records, bears N. 6° 45' E.; thence N. 6° 45' E. 1100' (scaled) to Station No. 28; thence N. 3° 15' E. 511.50 feet to Station No. 29; thence N. 46° 30' E. 259.38 feet; thence leaving the San Andreas Road S. 80° 30' E. 198.00 feet; thence N. 61° 30' E. 591.36 feet to a station; thence N. 89° E. 353.10 feet to a gate post; thence N. 52° 15' E. 755.04 feet to a stake from which an oak tree bears N. 12° E. 40.92 feet distant; thence N. 18° W. 233.64 feet to a station; thence N. 48° 30' W. 264.00 feet to a station; thence N. 44° E. 2072.40 feet to a station; thence S. 51° E. 842.16 feet to a station in the Watertank Road; thence northeasterly along Watertank Road to and across State Highway Route 56-D (Highway 1) to the northeasterly line of State Highway Route 56-D; thence along the northeasterly line of State Highway Route 56-D to its intersection near Freedom Boulevard with the southerly boundary of the Central Water District (formerly called the Central Santa Cruz County Water District); thence easterly along the southerly boundary of the Central Water District to and across Freedom Boulevard to Pleasant Valley Road; thence along Pleasant Valley Road and the boundary of the Central Water District to the point where the Central Water District boundary leaves Pleasant Valley Road in an easterly direction; thence following the Central Water District boundary easterly, northerly, and westerly to Pleasant Valley Road; thence northerly along the easterly line of Pleasant Valley Road to the southwest corner of land of Billye L. Heath as described in the deed recorded on December 21, 1965, in Volume 1736, Page 155 Official Records of Santa Cruz County; thence easterly along the southerly boundary of the land of Billye L. Heath, which is also a boundary of the Central Water District, and continuing along the easterly boundary of Central Water District to most northeasterly point (Y) of the Central Water District; thence continuing on the extension of the easterly

course of the boundary of the Central Water District which passes through point Y to the point of its intersection with the southerly line of Section 2, T. 11 S. R. 1 E., M. D. B. & M.; thence easterly along the south line of Section 2 to the east line of Section 2, then north along the east line of Section 2 and of Section 36, T. 10 S, R. 1 E., M. D. B. & M., to the north line of Section 36; thence east along the north line of Section 36, and 31 and 32, T. 10 S., R. 2 E., M. D. B. & M.; thence southerly along the easterly line of Section 32 to the south line of Section 32; thence east along the projection of the south line of Section 32 to Hazel Dell Road; thence southerly along Hazel Dell Road to Gaffey Road; thence southeasterly along Gaffey Road to Hecker Pass Road (State Route 152); thence northerly along Hecker Pass Road to the Santa Cruz County line; thence southerly along the Santa Cruz County line to the intersection of the Santa Cruz County line with the San Benito County line; thence northwesterly along the Santa Cruz County line to Carpenteria Road, then southwesterly along Carpenteria Road to San Juan Road.

(b) The southern and eastern boundary of the agency is as follows:

Beginning at a point on the high water line of Monterey Bay, Monterey County, California, that point being also the most southwesterly corner of Lot 3, Block 23 as shown in Book 413, Page 2, Assessors Map, County of Monterey; along the southerly line of that Lot 3 easterly to the southeasterly corner of that Lot 3, that corner being also the westerly right-of-way boundary line of State Highway No. 1; thence crossing that state highway easterly to the most southwesterly corner of Lot 4, Block 23 as shown in Book 413, Page 2, Assessors Map, County of Monterey, that corner being also the easterly right-of-way of that state highway; thence along the southerly boundary line of that Lot 4, northeasterly to the most southeasterly corner of that Lot 4, that corner being also the most southwesterly corner of Lot 2, Block 41, Book 413, Page 4, Assessors Map, County of Monterey; thence along the southeasterly boundary line of that Lot 2 northeasterly to the most northeasterly corner of that Lot 2, that corner being also a point on the southerly boundary of Lot 13, Block 14, Book 413, Page 1, Assessors Map, County of Monterey; thence northwesterly to the southeast corner of Lot 14, Block 14, Book 413, Page 1, Assessors Map, County of Monterey; thence along the easterly boundary of said Lot 14 northerly to the northeasterly corner of that Lot 14, that corner being also the most southeasterly corner of Lot 4, Block 23, Book 412, Page 2, Assessors Map, County of Monterey, that corner also being the westerly bank of Elkhorn Slough; thence along the westerly bank of Elkhorn Slough northwesterly and northeasterly to the intersection of that westerly bank with the westerly right-of-way line of Elkhorn Road, a county road; thence crossing that county road along a direct line easterly to the easterly right-of-way of that County Road; thence along the easterly line of that county road southeasterly to the intersection of that county road right-of-way line and the southerly boundary of Lot 5, Block 22, Book 412, Page 2, Assessors Map, County of Monterey;

thence along the southerly boundary of that Lot 5 easterly to the most southeasterly corner of that Lot 5, that corner being also a point on the southwesterly boundary of Lot 19, Block 11, Book 181, Page 1, Assessors Map, County of Monterey; thence along the southerly boundary line of that Lot 19 easterly to the most southeasterly corner of that Lot 19, that corner being also a point on the westerly line of Lot 4, Block 11, Book 181, Page 1, Assessors Map, County of Monterey; thence along the northerly boundary of Lot 4 and westerly boundary of Lot 5, Book 181, Page 1, Assessors Map, County of Monterey, northerly and southeasterly to the southeasterly corner of that Lot 5; thence along a direct line southeasterly to the most southwesterly corner of Lot 12, Block 11, Book 181, Page 1, Assessors Map, County of Monterey; thence along the southerly boundary of Lots 12 and 13, Block 11, Book 181, Page 1, of that map; southeasterly to the most southeasterly corner of that Lot 13, that corner being also the most westerly corner of Lot 14, Block 151, Book 129, Page 15, Assessors Map, County of Monterey; thence along the southerly boundary of Lots 14 and 15, Block 151, of that map southeasterly to the most southeasterly corner of that Lot 15, that corner being also the most northwesterly corner of Lot 1, Block 161, Book 129, Page 16, Assessors Map, County of Monterey; thence along the northerly boundary line of Lots 1, 2, 31, 37, 38, 5, 22, 23, 34, 35, 36, 28, and 30 southeasterly to the most northeasterly corner of that Lot 30; thence in a direct line southeasterly to a point on the easterly right-of-way line of San Miguel Canyon Road, a county road, that point being also the most southerly corner of Lot 19, Block 252, Book 127, Page 25, Assessors Map, County of Monterey; thence along the easterly boundary line of Lots 19, 82, and 83 of that map northeasterly to the most northeasterly corner of that Lot 83, that corner being also the southerly right-of-way line of Maher Road, a county road; thence in a direct line northeasterly to a point on the northerly right-of-way line of that Maher Road, that point being also the most southwesterly corner of Lot 10, Block 101, Book 181, Page 10, Assessors Map, County of Monterey; thence along the southerly boundary line of Lots 10 and 1 of that map westerly to the most easterly corner of that Lot 1, that corner being also a point on the westerly boundary of Lot 1, Block 22, Book 181, Page 22, Assessors Map, County of Monterey; thence along the westerly boundary of that Lot 1 northerly to the most northerly corner of that Lot 1, that corner being also the southwesterly corner of Lot 6, Block 131, Book 181, Page 13, Assessors Map, County of Monterey; thence along the westerly boundary of Lots 6 and 5 of that map northwesterly to the most northwesterly corner of that Lot 5, that corner being also the most southwesterly corner of Lot 15, Block 121, Book 181, Page 12, Assessors Map, County of Monterey; thence northerly along the westerly boundary of that Lot 15 to the northwesterly corner of that Lot 15, that corner being the most southwesterly corner of Lot 1 of that map, thence along the southerly boundary of that Lot 1 easterly to the southeasterly corner of that Lot 1; thence along the easterly boundary of that Lot 1

northerly to the intersection of that easterly boundary with the centerline of San Juan Road, a county road; thence along the centerline of that county road northeasterly to the intersection with the centerline Carpenteria Road, a county road; thence along the centerline of that county road northeasterly to the intersection of that centerline with the southerly boundary of the Aromas Water District; thence along the boundary of that district northeasterly and westerly to its intersection with the centerline of Carpenteria Road; thence along the centerline of that road northerly to the intersection of that road with the Santa Cruz County line.

Article 3. Definitions

Sec. 301. Unless the context otherwise requires, the definitions in this article govern the construction of this act.

Sec. 302. "Agency" means the Pajaro Valley Water Management Agency.

Sec. 303. "Available supply" means the quantity of groundwater which can be withdrawn annually from the groundwater basin without resulting in or materially aggravating conditions of long-term overdraft, subsidence, or groundwater quality degradation. Available supply of the groundwater basin includes the average annual natural water supply, any temporary surplus, imported water or other water which has been spread to the basin or otherwise added to the basin, and return flows to the basin attributable to these sources reaching the groundwater basin in the course of use.

Sec. 304. "Board of directors" or "board" means the governing body of the agency as provided in Section 402.

Sec. 305. "Extraction" means the act of obtaining groundwater by pumping or other controlled means.

Sec. 306. "Extraction facility" means any device or method for the extraction of groundwater within the groundwater basin.

Sec. 307. "Groundwater" means water beneath the surface of the earth within the zone below the water table in which the soil is completely saturated with water. "Groundwater" does not include any water which, on the effective date of this act, is subject to appropriation under Part 2 (commencing with Section 1200) of Division 2 of the Water Code.

Sec. 308. "Groundwater basin" means the groundwater basin within the boundaries of the agency and any subbasins located therein.

Sec. 309. "Groundwater management plan" means a plan which identifies groundwater management objectives and recommmends measures to implement those objectives toward the efficient, economic, and equitable use of groundwater resources within the basin. The plan shall consider the characteristics of the groundwater basin, groundwater conditions and problems, existing natural and supplemental water supplies, present and anticipated water use

within the basin, and the land use policies of applicable city and county general plans.

Sec. 310. "Groundwater rights adjudication" means the determination of substantially all rights in the groundwater basin or the area subject to the adjudication.

Sec. 311. "Operator" means the person who operates an extraction facility. "Operator" also means the person to whom the extraction facility is assessed by the county assessor or, if not separately assessed, the person who owns the land upon which an extraction facility is located.

Sec. 312. "Overdraft" means the condition of the groundwater basin where the average annual amount of water extracted exceeds the average annual supply of fresh water to the basin, plus any temporary surplus.

Sec. 313. "Person" includes any state or local governmental agency, private corporation, firm, partnership, individual, group of individuals, or, to the extent authorized by law, any federal agency.

Sec. 314. "Program" means a groundwater management program prepared by the agency pursuant to this act.

Sec. 315. "Replenishment" means spreading water over a permeable area for the purpose of allowing it to percolate to the groundwater basin, or otherwise adding water to the groundwater basin, which without that effort would not augment the groundwater supply.

Sec. 316. "Supplemental water" means surface water or groundwater imported from outside the watershed or watersheds of the groundwater basin and flood waters that are conserved and saved within the watershed or watersheds which would otherwise have been lost or would not have reached the groundwater basin.

Sec. 317. "Temporary surplus" means the amount of water than can be extracted from the groundwater basin, without adversely affecting the available supply of the groundwater basin, to provide storage space for natural recharge that would be lost during wet years if it could not be stored in the groundwater basin.

Sec. 318. "Water year" means the period from October 1 of one calendar year to September 30 of the following calendar year.

Sec. 319. "Well interference" means a substantial reduction in the production of an existing facility due to a substantial nonseasonal water level decline in a localized area caused by pumping from extraction facilities in close proximity to one another.

Article 4. General Provision

Sec. 401. (a) There shall be submitted to the registered voters within the agency at the general election, to be held throughout the state on the sixth day of November 1984, the question of whether the agency shall be organized and shall exercise its power in accordance with the provisions of this act.

(b) There shall be printed on the ballot at the election the

following question:

"Shall the Pajaro Valley Water Management Agency be organized and exercise its powers in accordance with the provisions of the Pajaro Valley Water Management Agency Law?"

Following the question shall be the words "Yes" and "No" on separate lines with a voting square at the right of each, in which the voter shall indicate by stamping a cross (+) his or her vote for or against the proposition.

(c) If a majority of the voters voting on the proposition vote in its favor, the agency shall begin to function and to exercise its powers upon the organization of the board of directors as provided in Section 402.

(d) If a majority of the voters voting on the proposition do not vote in its favor, another election on the proposition shall be held within the agency upon the petition of 10 percent of the voters within the proposed agency boundaries. Petitions may be circulated for that purpose not earlier than six months after the previous election.

Sec. 402. The agency shall be governed by the board of directors. The board shall consist of seven members selected in accordance with this act. Each member of the board shall be a voter of and a resident within the agency. Four members of the board shall be elected as provided in Section 403. Three members of the board shall be appointed. The appointed members of the board shall reside within the jurisdiction of the appointing power, shall derive at least 51 percent of their net income from the production of agricultural products, as certified by affidavit, and shall be appointed by the following agencies: one member each by the Board of Supervisors of Monterey County, the Board of Supervisors of Santa Cruz County, and the City of Watsonville. The appointments may be made from lists of not less than three nor more than five persons submitted to the appointing power for each vacancy by the Santa Cruz County Farm Bureau and the Monterey County Farm Bureau.

Sec. 403. The initial elected members of the board shall be elected at large by the voters of the agency at the November 6, 1984, formation elections. The elected members shall thereafter be elected by division as provided in this act.

Sec. 404. The term of office of each elected member of the board shall be four years, except that after the initial election, the two directors receiving the highest number of votes shall serve for four years, and the other two directors shall serve two years. Thereafter, all elected directors shall serve for four years. The term of office for an appointed member of the board shall be two years. A vacancy in the office of a member of the board shall be filled pursuant to Section 1780 of the Government Code, and a vacancy in the term of office of an appointed member shall be filled by the appointing power. The qualification of voters and the election of the members of the board shall be in accordance with the provisions of the Uniform District Elections Law (Part 3 (commencing with Section 23500) of Division

14 of the Elections Code) except as otherwise provided in this act.

Sec. 405. The agency shall, by resolution adopted by a majority of the members of the board at least 140 days before the next general district election, be divided into four divisions. All directors thereafter elected by division shall be residents of their division and shall be registered voters at the time of their election and during their term of office.

Sec. 406. After the adoption of the resolution by the board to establish divisions in the agency, the board of directors shall establish the boundaries of the divisions on the basis of equalizing as nearly as practicable the number of registered voters in each division. The board shall from time to time reestablish the boundaries on that basis. The creation or modification of divisions does not affect the term of any director until his or her term expires.

Sec. 407. At the first election of directors following the adoption of the resolution by the board establishing divisions, the number of directors to be elected shall correspond with the number of directors whose terms expire. The directors whose terms have not expired shall serve their unexpired terms under the qualifications to hold office that existed prior to the adoption of the resolution establishing divisions. The division in which elections shall be held two years after the formation of the district shall be selected from those divisions which are not represented by the directors who were elected to four-year terms. In that first election and in all subsequent elections, the form of the ballot and the conduct of the election shall be governed by the Uniform District Election Law for resident voting districts.

Sec. 408. The board shall hold its first meeting as soon as possible after the election of the first members of the board. The board shall elect one of its members chairman, and shall thereupon provide for the time and place of holding its meetings and the manner in which special meetings may be called upon adequate notice to the public. At the first meeting in the month of January of each year, or at the next meeting following the creation of a vacancy in the office of chairman, the board shall choose one of its members to be chairman and one of its members to be vice chairman.

Sec. 409. The chairman of the board shall preside at all meetings of the board. In the case of the absence or inability to act of the chairman or vice chairman, the members present shall by a resolution entered in the records of the board, select one of their number to act as temporary chairman.

Sec. 410. A majority of the members of the board shall constitute a quorum for the transaction of business. On all ordinances, the roll shall be called and the ayes and noes recorded in the records of the board. Resolutions and motions may be adopted by voice vote, but on demand of any member, the roll shall be called. Except as otherwise provided in this act, no ordinance, resolution, or motion shall be passed nor become effective without the affirmative vote of the majority of the members of the board.

Sec. 411. Each director may receive compensation in an amount not to exceed one hundred dollars ($100) per day for each day's attendance at meetings of the board or for each day's service rendered as a director by request of the board, not exceeding a total of two days in any calendar month, together with any expenses incurred in the performance of his or her duties required or authorized by the board.

Sec. 412. The board shall designate a depository or depositories to have the custody of funds of the district. All funds of the district deposited with any depository shall be secured as required by law.

Sec. 413. Notwithstanding Section 56039 of the Government Code, the agency shall be deemed to be a "district" within the provisions of the District Reorganization Act of 1965 (Division 1 (commencing with Section 56000) of Title 6 of the Government Code), and all proceedings for the annexation or detachment of territory to or from the district shall be conducted in the manner therein provided and all the provisions of that act shall apply to the district.

Sec. 414. The agency may exclude from any of the requirements of this act any class of persons who extract or consume a minimum amount of water. Any such exemption shall be subject to periodic review.

Article 5. Powers of the Agency

Sec. 501. The agency shall exercise the powers granted by this act for the purposes of water management within the boundaries of the agency, together with any powers as may be reasonably implied, necessary, and proper to carry out the objectives and purposes of the agency.

Sec. 502. The agency, before adopting any regulation, shall make a finding that the public necessity requires the action, and the resolution or ordinance enacted shall state the ultimate facts upon which the finding is based.

Sec. 503. The agency may carry on technical and other necessary investigations of all kinds and collect data necessary to carry out the provisions of this act. The agency shall have the right of accesss to all properties within the agency to the extent permitted by the United States Constitution and the California Constitution.

Sec. 504. The agency may cooperate and contract with federal, state, and local governmental agencies in the conduct and performance of all investigations, studies, and data collection.

Sec. 505. All investigations and studies carried out by or on behalf of the agency shall be conducted by licensed engineers or experts in groundwater geology or hydrology. The agency shall not implement groundwater management programs until the board of directors has received the recommendations of its engineers, consultants, and staff.

Sec. 506. The agency shall prepare annually a report on

groundwater supplies and conditions in the district, including groundwater management objectives and a plan of implementation of those objectives. If restrictions on operators of extraction facilities have been imposed during the previous year, the annual report shall also include specific findings which state all of the following:

(a) Any changes in static groundwater levels during the prior 12 months.

(b) The factual reasons why those restrictions should continue into the following year.

Sec. 507. The agency shall have the power of eminent domain to acquire within the agency property necessary for carrying out the powers and purposes of the district, except that the agency shall not have power to acquire by condemnation publicly owned property held or used for the development, storage, or distribution of water for public use.

Sec. 508. The agency shall be an appropriate body to apply for and administer any public or private grants and programs which affect the water resources of the agency.

Sec. 509. The agency may sue and be sued.

Sec. 510. The agency may do any of the following:

(a) Enter into contracts and employ and retain personal services. The board may cause construction or other work to be performed or carried out by contracts or by the agency under its own supervision.

(b) Contract for and perform contracts with public entities for the performance of administration of the agency and perform or contract for the performance of tests, studies, and investigations as necessary and proper to carry out the objects and purposes of the agency.

(c) All contracts for the construction of any unit of work or for any services estimated to cost over $10,000 shall be let to the lowest responsible bidder in accordance with the provisions prescribed by Chapter 2 (commencing with Section 20100) of Part 3 of Division 2 of the Public Contract Code. If the cost of the project or service will not exceed $10,000 the agency may have the work done by force account. The agency may purchase in the open market, without advertising for bids thereof, materials and supplies for use in any work either under contract or by force account.

(d) Create, establish, and maintain such offices and positions as the board may determine are necessary and convenient for the transaction of the business of the agency.

Sec. 511. The agency may, by resolution adopted by the board, issue negotiable promissory notes to acquire funds for any agency purpose or purposes. Any issue of promissory notes shall bear interest at a rate not exceeding 10 percent per year and shall mature over a period not exceeding five years from the date thereof. The aggregate principal amount of such notes outstanding at any one time shall not exceed three hundred thousand dollars ($300,000).

Sec. 512. Any city or county having land use jurisdiction over a development project which proposes to use water that has been

extracted from aquifers underlying the agency or diverted from surface sources within the boundaries of the agency shall notify the agency of the proposed project.

Sec. 513. After adoption of a groundwater management plan, the agency shall notify appropriate land use agencies of the management techniques recommended by the groundwater management plan.

Sec. 514. If a land use project requires a permit from the agency, the agency shall submit the permit and any conditions of the permit to the appropriate land use agencies.

Sec. 515. Prior to approving any project, as defined in Section 21065 of the Public Resources Code, the agency directors shall make a finding that the project is consistent with applicable city and county general plans.

Sec. 516. The agency shall have prevailing authority over any special district within the boundaries of the agency which exercises any of the powers enumerated in this act.

Article 6. Registration of Groundwater Extraction Facilities

Sec. 601. The agency may, by ordinance, require extraction facilities to be registered with the agency and, if required by the board of directors, measured with a water flow measuring device installed and calibrated by the agency or, at its option, by the extraction facility operator. The agency may also require any new extraction facility which is constructed, existing extraction facility which is deepened, or abandoned extraction facility which is reactivated to be registered with the agency within 30 days of completion of construction, deepening, or reactivation, and, if required by the board of directors, equipped with a water flow measuring device.

Sec. 602. In addition to other information which the agency may require, the agency may require for each registered extraction facility information as to the operator of each extraction facility, the owner of the land upon which each extraction facility is located, and a general description of the equipment associated with each extraction facility and the location of each water extraction facility.

Sec. 603. The agency may, by ordinance, require the operator of each extraction facility to file annually with the agency an annual groundwater extraction statement that contains, but is not limited to, the following information:

(a) Total extraction in acre-feet of water from the extraction facility for the preceding year.

(b) The static groundwater level for the extraction facility.

(c) A description of the location of the extraction facility.

(d) The soil and crop types for agricultural uses. The acreage served by the extraction facility.

(e) The method of measuring or computing groundwater extraction.

Each groundwater extraction statement shall be verified by a

written declaration under penalty of perjury that the information contained in the statement is true and correct. The operator of an extraction facility which has been permanently abandoned after the effective date of this act shall give written notice of the abandonment to the agency.

Sec. 604. The board may, by ordinance, establish reasonable methods to be used in computing the amount of water extracted by extraction facilities other than by a water flow meter. These methods may be based upon any or all or a combination of the following criteria:

(a) The size of water-producing facility discharge opening.

(b) The area served by the water-producing facility.

(c) The number of persons served by the water-producing facility.

(d) The use of land served by the water-producing facility.

(e) The crops grown on land served by the water-producing facility.

(f) Any other criteria which may be used to determine with reasonable accuracy the amount of water produced from a water-producing facility.

Article 7. Groundwater Management

Sec. 701. Within six months after the formation of the agency, the board of directors shall give notice and hold a public hearing to receive evidence of the need to perform a groundwater basin study. Upon conclusion of the hearing and after consideration of any relevant comments, the board of directors may determine that the performance of a groundwater basin study is necessary to meet the purposes, goals, and objectives of the agency.

Sec. 702. If, upon receipt of the recommendations of its engineers, consultants, and staff, the board of directors determines that groundwater management activities may be necessary, the board of directors shall give notice of and hold a hearing to receive evidence on the need for a management plan and on the form and scope of the proposed management activities.

If, upon conclusion of the hearing, and consideration of any relevant investigations, studies, or results, the board of directors determines that management in the form proposed is necessary for the sound management of the groundwater within the groundwater basin, the agency may, by ordinance, exercise any of the powers set forth in this act, subject to subdivisions (d), (f), and (g) of Section 102.

Sec. 703. The agency may regulate groundwater replenishment programs and recapture supplemental groundwater resulting from these programs within the agency as provided by this act, subject to subdivisions (d), (f), and (g) of Section 102. The agency shall have the power to determine the amount of groundwater basin storage space available and to allocate groundwater basin storage space

within the groundwater basin after completion of the groundwater basin study.

Sec. 704. The agency or other persons pursuant to an agreement with the agency shall have the sole right to store, recapture, distribute, and sell supplemental water in the groundwater basin, subject to subdivisions (d), (f), and (g) of Section 102.

Sec. 705. The agency may commence and prosecute actions to enjoin unreasonable uses or methods of use of water within the agency or outside of the agency to the extent those uses or methods of use affect the groundwater supply within the agency.

Sec. 706. The agency may impose spacing requirements on new extraction facility construction to minimize well interference.

Sec. 707. The agency may, at the request of an operator of an extraction facility, and after notice to all affected persons, convene a hearing to ascertain if the legal rights of a complaining operator have been infringed through well interference by the extractions of an adjacent operator within the agency.

Sec. 708. If the board finds at the hearing that well interference exists, the board may impose reasonable operating regulations on extraction facilities to minimize well interference. The regulations may, where feasible, require pumpers to operate on a rotation basis. Rotations shall not be deemed feasible if they would require an overlying owner to construct a new well to irrigate the acreage being irrigated by a single existing well.

Sec. 709. The agency may store water in and recapture water from surface reservoirs or groundwater basins within the agency.

Sec. 710. The agency may purchase and import water into the agency subject to subdivisions (d), (f), and (g) of Section 102, except that no water shall be imported into the agency for other than agricultural purposes.

Sec. 711. The agency, in order to improve and protect the quality of water supplies may treat, inject, extract, or otherwise control water, including, but not limited to, control of extractions, and construction of wells and drainage facilities. These powers shall include the right to regulate, limit, or suspend extractions from extraction facilities, the construction of new extraction facilities, the enlarging of existing facilities, or the reactivation of abandoned extraction facilities.

Limitation, control, or prohibition related to extraction shall be instituted only after the board has made factual findings that the limitation, control, or prohibition is necessary.

Sec. 712. (a) If the agency limits or suspends extractions within the basin or within a subbasin by operators of extraction facilities, rights to the use of the available supply of groundwater shall be allocated primarily on the basis of the amount of water used by the operator as a percentage of the total amount of water being used within the agency. The agency may adjust any figure so arrived at up or down for any of the following factors:

(1) The number of acres actually irrigated compared to the

number of acres owned or leased, for a period of three years.

(2) Water used in relation to best management practices for the use being made of the water.

(3) Wasteful or inefficient use.

(4) Reasonable need.

(5) Any other factor that the agency reasonably feels it should consider in order to reach an equitable distribution.

(b) Notwithstanding any other provision of this act, the agency shall not regulate existing extraction or physically import water into the basin until the agency has adopted a groundwater management plan. However, the board may reserve water to be imported from a state or federal water development project, or express an intent to import water, prior to the preparation of a groundwater management plan. The board may also restrict existing extractors prior to the adoption of a management plan, anytime after the end of the first full water year after the formation of the agency, if it has determined at a noticed public hearing that a substantial reduction in the water quantity or quality has taken place within the preceding water year which creates a substantial threat to the water supply of the entire basin.

Sec. 713. (a) If the agency limits or suspends extraction by operators of extraction facilities, no operator may extract increased amounts of groundwater from an existing, new, enlarged, or reactivated extraction facility, until the operator has applied for and received a permit from the agency.

(b) The agency shall grant, at the earliest date possible, the permit upon a showing by the applicant that the applicant has acquired from existing permitted extractors, water entitlement equivalent to the amount of water the applicant seeks to extract in the permit application.

(c) This section shall not be construed as preventing an operator of an extraction facility from replacing an extraction facility with another extraction facility so long as the amount of water used is not increased.

Sec. 714. The agency shall have the power to take all affirmative steps necessary to replenish and augment the water supply within its territory. In the event the agency imposes restrictions on the operation of extraction facilities, the agency shall purchase, or capture, and distribute supplemental water at the earliest date possible, subject to subdivisions (d), (f), and (g) of Section 102.

Article 8. Bonds and Zones of Benefit

Sec. 801. The agency may use, and may issue bonds in accordance with, the Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code), the Municipal Improvement Act of 1913 (Division 12 (commencing with Section 10000) of the Streets and Highways Code), the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the

Streets and Highways Code), or the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code) for the construction of any facilities authorized to be constructed by the agency under the provisions of this act.

Sec. 802. (a) "Zone of benefit" means an area, including, but not limited to, subbasins, within the agency which will benefit from planning, studies, or any management program undertaken by the agency in a manner different from other areas or subbasins within the district.

(b) The board may establish zones of benefit within the agency for purposes of Section 801 and to institute works or projects for any purpose authorized by this act. The zones shall be established by a resolution of the board which shall fix a time and place for a public hearing on the resolution and shall prescribe the boundaries of the zones. Notice of the hearing shall be given by publication pursuant to Section 6066 of the Government Code in a newspaper of general circulation published or circulated within the agency.

(c) The board of directors may amend zone of benefit boundaries by annexing property to or by withdrawing property from a zone, or may divide a zone into two or more zones. Resolutions of the board of directors shall describe the boundaries of the amended or divided zones.

Sec. 803. (a) At the time and place fixed for the hearing, or at any time to which the hearing may be continued, the board shall consider all written and oral objections to the proposed work or project, to the proposed methods and amounts of financing the work or project, and to the inclusion or exclusion of property within the proposed zone or participating zones.

(b) If, in the judgment of the board, evidence given at the public hearing indicates that changes in the proposed work or project or the methods and amounts of financing the work or project are necessary or desirable, the board may, at the conclusion of the hearing, adopt a resolution making changes in the proposed work or project and the methods and amounts of financing the work or project.

(c) At the conclusion of the hearing, unless the board abandons the proposed work or project, it shall exclude from the zone or participating zones all property which, in the judgment of the board, will not be benefited by the proposed work or project.

Sec. 804. If, prior to the conclusion of the hearing, a written protest is filed with the board against the proposed work or project which is signed by a majority in number of the holders of title to real property, or assessable rights therein, or evidence of title thereto, within the zone or within any of the participating zones for which the work or project was initiated, or by the holders of title to a majority of the assessed valuation of the real property within the zone or any of the participating zones, the proceedings relating to the work or project shall be terminated and a new hearing shall be conducted before the board may proceed with the work or project.

The new hearing may not be held until at least six months following the termination.

Article 9. Financial Provisions

Sec. 901. Any person who seeks to install, activate, or expand the production of a water extraction facility within the agency shall pay to the agency a fee set by the board of directors, by ordinance, representing the person's share of the agency's contribution to the maintenance of a basin supply sufficient to meet the new or expanded demand. This impact fee shall be collected only after the agency has implemented its management plan and is in addition to any other agency's service, connection, or extraction permit fee. The fees collected under this section may be used for any valid purpose as determined by the board of directors.

Sec. 902. The agency may, by ordinance, fix charges upon land within the agency for the purpose of paying the costs of initiating, carrying on, and completing any of the powers, projects, and purposes for which the agency is organized. The charge may be imposed on landowners within the district for benefits received by landowners from improved water management and planning.

Sec. 903. Before fixing the charges, the board of directors shall, after notice and hearing, find and determine the need for the charges for the purpose of paying the costs of these activities, and the amount of the charges for the purpose of paying the costs of these activities, and the amount of the charges to be imposed. The charges shall not exceed five dollars ($5) per acre per year for each acre of land. However, the agency may vary the minimum charges collected on the basis of benefit accruing to the land as a result of the actions of the agency. The amount collected in any single year by means of the charge shall not exceed three hundred thousand dollars ($300,000).

Sec. 904. The board of directors may establish schedules varying the charge according to the likelihood that the land will benefit from improved water management and planning charges. The initial schedule of charges may be amended only after a public hearing by a five-sevenths vote of the board of directors.

Sec. 905. Charges may be collected pursuant to this article commencing with the 1984–85 fiscal year.

Sec. 906. A penalty of 7 percent of any charge shall accrue where any charge remains unpaid on the first day of the month before the month in which the board of supervisors of the county in which the agency or any part thereof is located is required by law to levy the amount of taxes required for county purposes.

Sec. 907. The amount of the unpaid charge plus the penalty shall be added to the tax levied annually upon the land subject to the charge. The amount of the unpaid charge plus the penalty shall constitute a lien on that land as of the same time and in the same manner as does the tax lien securing annual property taxes.

Sec. 908. At least 15 days before the first day of the month in which the board of supervisors of each affected county is required by law to levy the amount of taxes required for county purposes, the board of directors shall furnish in writing to the board of supervisors and the county auditor of each affected county a description of each parcel of land within the agency upon which a charge remains unpaid, together with the amount of the unpaid charge plus penalty.

Sec. 909. On or before the 15th day of May of each year, the board shall estimate and determine the annual amount of money required for the agency and shall adopt a preliminary budget which shall be detailed in conformity with the Uniform Accounting Procedures for the districts set forth in the California Administrative Code.

Sec. 910. On or before the 15th day of May of each year the board shall publish a notice stating the following:

(a) The preliminary budget has been adopted and is available at a time and at a place within the agency, specified in the notice, for inspection by the voters.

(b) On a specified date and at a specified time and place, the board shall meet for the purpose of fixing the final budget, and that any taxpayer may appear and be heard regarding the increase, decrease, or omission of any item of the budget or for the inclusion of additional items.

Sec. 911. The notice required by Section 910 shall be published pursuant to Section 6066 of the Government Code in at least one newspaper published in the agency. The first publication shall be at least two weeks prior to the date specified for the meeting of the board. The notice shall be posted in three public places in the territory of the agency not less than two weeks prior to the date specified for the meeting of the board. No other notice of the meeting need be given.

Sec. 912. At the time and place designated in the published notice for the meeting, any person may appear and be heard regarding the increase, decrease, or omission of any item of the budget or for the inclusion of any additional items.

Sec. 913. All moneys collected by the agency pursuant to this act shall be placed in an account and shall be available without regard to fiscal year for expenditure by the agency in carrying out its water management functions pursuant to this act.

Article 10. Groundwater Augmentation Charges

Sec. 1001. The agency may, by ordinance, levy groundwater augmentation charges on the extraction of groundwater from all extraction facilities within the agency for the purposes of paying the costs of purchasing, capturing, storing, and distributing supplemental water for use within the boundaries of the agency.

Sec. 1002. (a) Before the levy of groundwater augmentation charges, the board of directors shall, after notice and hearings, find and determine the amount of water which is required for the

replenishment or enhancement of groundwater supplies in the agency and the sum of money necessary for that purpose, and the activities required to prepare or implement any groundwater management program for the agency. The finding shall include all of the findings enumerated in Section 75574 of the Water Code.

(b) That determination shall be made on the basis of the hearing record, any relevant reports, and the agency's engineering investigation. The investigation shall include all of the following:

(1) Information for the consideration of the board in its determination of the annual overdraft.

(2) Information for the consideration of the board in its determination of the accumulated overdraft as of the last day of the preceding water year.

(3) A report as to the total production of water from the groundwater supplies for the preceding water year.

(4) An estimate of the annual overdraft for the current water year and for the ensuing water year.

(5) The amount of water the agency is obligated to purchase during the ensuing water year, and a recommendation as to the quantity of water needed for surface delivery and for replenishment of the groundwater supplies for the ensuing year.

(6) Such other information as the board desires.

Sec. 1003. The groundwater augmentation charges shall not exceed 15 percent of the highest charges for water levied by any multiple water supply system with more than 5,000 service connections in the agency.

Sec. 1004. If any person fails to pay the applicable groundwater augmentation charge when due, the agency shall charge and collect interest at the rate of 1½ percent each month on the delinquent amount of the groundwater augmentation charge. In addition, the agency may exercise any of the provisions of Article 5 (commencing with Section 75630) of Chapter 3 of Part 9 of Division 21 of the Water Code for the purpose of collecting delinquent groundwater charges.

Article 11. Enforcement Powers

Sec. 1101. Upon the failure of any person to comply with any of the provisions of this act, including, but not limited to, registration of extraction facilities and installation of measuring devices, filing of statements, payment of augmentation charges, or payment of management charges, or upon failure of any person to comply with any ordinance duly adopted by the board of directors pursuant to this act, the agency may petition the superior court of a county in which the territory of the agency lies for a temporary restraining order or preliminary or permanent injunction prohibiting the person from operating an extraction facility or for such other injunctive relief as may be appropriate.

Sec. 1102. The right to proceed for injunctive relief is an additional right to those which may be provided elsewhere in this act

or otherwise allowed by law. The agency shall not be required to provide an undertaking or bond as a condition of a grant of injunctive relief.

Sec. 1103. In any action brought pursuant to this act in which a temporary restraining order, preliminary injunction, or permanent injunction is sought, it shall not be necessary to allege or prove at any stage of proceeding that irreparable damage will occur should the temporary restraining order, preliminary injunction, or permanent injunction not be issued, or that the remedy at law is inadequate, and the temporary restraining order, preliminary injunction, or permanent injunction shall issue without those allegations and without that proof.

Sec. 1104. The agency may petition the superior court of a county in which the territory of the agency lies to recover any sums due to the agency pursuant to any provision of this act. The agency shall make that request only after a hearing with due notice of the hearing given to all affected persons.

Sec. 1105. Remedies under this article are in addition to, and do not supersede or limit, any and all other remedies, civil or criminal.

Sec. 1106. In order to preserve and manage the groundwater resources within the agency, the agency may also commence, maintain, intervene in, defend, compromise, and assume the costs and expenses of legal actions and administrative proceedings now or hereafter begun involving surface and groundwater, including, but not limited to, a groundwater rights adjudication.

Sec. 1107. If any court is petitioned to adjudicate the groundwater basin or any part thereof, whether the petition is filed by the agency or by any person, the court shall base judgment, ruling, or findings of fact primarily on the amount of water used by the operator as a percentage of the total amount of water available for use in the basin or subbasin. In order to reach an equitable distribution, the court may adjust any amounts so arrived at for any of the following factors:

(a) Wasteful or inefficient use.

(b) Reasonable need.

(c) Reduction or suspension of extractions required within the boundaries of the agency.

(d) Any other factor that the court feels it should consider in order to reach an equitable distribution.

Sec. 1108. Any person who intentionally violates any provision of this act or any agency ordinance may also be liable civilly to the agency for a sum not to exceed one thousand dollars ($1,000) per day for each day of that violation, in addition to any other penalties that may be prescribed by law.

SEC. 2. Article 9.6 (commencing with Section 31144) is added to Chapter 1 of Part 5 of Division 12 of the Water Code, to read:

Article 9.6. Lompico County Water District

31144. In addition to the other powers provided by law, the Lompico County Water District, Santa Cruz County, shall have all of the following powers and shall promptly and effectively exercise such powers as may be appropriate to ensure that onsite waste water disposal systems, as defined in Section 6952 of the Health and Safety Code, along the San Lorenzo River do not pollute the river, its tributaries, and groundwater:

(a) To carry on technical and other investigations, examinations, or tests, of all kinds, make measurements, collect data, and make analyses, studies, and inspections pertaining to the water supply, use of water, water quality, nuisance, pollution, waste, and contamination of water within the district as those activities relate to the use of public, combined, or private onsite waste water disposal systems.

(b) To require all persons discharging from onsite waste water disposal systems within the district to register the system with the district, and to charge annual registration fees in such amount as will defray all or a portion of the costs of exercising the powers provided in this article. Applications for permits for onsite waste water disposal systems within the district to the County of Santa Cruz shall be referred to the district for the district's review and comment.

(c) To adopt and enforce regulations for onsite waste water disposal systems within the district, after holding a public hearing on reasonable notice thereof, to control and enhance the quality of the ground and surface waters of the district, in order to eliminate the pollution, waste, and contamination of water flowing into, through, or originating within watercourses, both natural and artificial, within the district, to prevent contamination, nuisance, pollution, or otherwise rendering unfit for beneficial use the surface or groundwater used or useful in the district, and to expend such amounts as are necessary to exercise these powers from the funds of the district. The regulations shall not be in conflict with state law or county ordinances.

31144.1. The district shall immediately do all such acts as are reasonably necessary to secure compliance with any federal, state, regional, or local law, order, regulation, or rule relating to water pollution or discharges from onsite waste water disposal systems within the area of the district. For that purpose, any authorized representative of the district, upon presentation of his credentials, or, if necessary under the circumstances, after obtaining an inspection warrant pursuant to Title 13 (commencing with Section 1822.50) of Part 3 of the Code of Civil Procedure, or with the permission of the owner, shall have the right of entry to any premises on which an onsite waste water disposal system is located for the purpose of inspecting the system, including securing samples of discharges therefrom, or any records required to be maintained in connection therewith by federal, state, or local law, order, regulation, or rule.

31144.2. (a) Violation of any of the provisions of a district regulation adopted pursuant to Section 31144 may be abated as a public nuisance by the district, and the board of directors may by regulation establish a procedure for the abatement of such a nuisance and to assess the cost of abatement to the violator. If the violator maintains the nuisance upon real property in which the violator has a fee title interest, the assessment shall constitute a lien upon the real property.

(b) The amount of any costs incurred by the district in abating such a nuisance upon real property shall be added to the annual taxes next levied upon the real property subject to abatement and shall constitute a lien upon that real property as of the same time and in the same manner as does the tax lien securing those annual taxes. All laws applicable to the levy, collection, and enforcement of district taxes shall be applicable to the assessment, except that if any real property to which the lien would attach has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attached thereon, prior to the date on which the first installment of those taxes would become delinquent, then a lien which would otherwise be imposed by this section shall not attach to the real property and the delinquent and unpaid charges relating to the property shall be transferred to the unsecured roll for collection. Any amounts of those assessments collected are to be credited to the funds of the district from which the costs of abatement were expended.

31144.3. (a) The owner of any real property upon which is located an onsite waste water disposal system, which system is subject to abatement as a public nuisance by the district, may request the district to replace or repair the system, as necessary. If replacement or repair is feasible, the board of directors, in its sole discretion, may provide for the necessary replacement or repair work.

(b) The person or persons employed by the board of directors to do the work shall have a lien, subject to the provisions of subdivision (b) of Section 31144.2, for work done and materials furnished, and the work done and materials furnished shall be deemed to have been done and furnished at the request of the owner. The district, in the discretion of the board of directors, may pay all, or any part, of the cost or price of the work done and materials furnished; and, to the extent that the district pays the cost or price of the work done and materials furnished, the district shall succeed to and have all the rights, including, but not limited to, the lien, of the person or persons employed to do the work against the real property and the owner.

(c) As an alternative power to the enforcement of the lien provided in subdivision (b), the board of directors may, by ordinance adopted by two-thirds vote of the members, fix the costs of replacement or repair; fix the times at which the costs shall become due; provide prior to the replacement or repair for the payment of the costs in installments over a period not to exceed 15 years;

establish a rate of interest not to exceed 8 percent per annum, to be charged on the unpaid balance of the costs; and provide that the amount of the costs and the interest shall constitute a lien, subject to the provisions of subdivision (b) of Section 31144.2, against the respective lots or parcels upon which the work is done.

(d) With the written consent of the owner and the lienholder, if other than the district, the board of directors may issue an improvement bond pursuant to the improvement bond provisions of the Improvement Act of 1911 (Part 5 (commencing with Section 6400) of Division 7 of the Streets and Highways Code), to represent and be secured by the lien established pursuant to subdivision (b). The bond may be delivered to the lienholder if other than the district or may be sold by the board of directors at public or private sale. The amount of the bond shall be the amount of the lien, including incidental expenses allowable under the Improvement Act of 1911. The bond term and interest rate shall be determined by the board of directors within the limits established by the Improvement Act of 1911 and other applicable provisions of law.

31144.4. In order to avoid duplication, either the district or the County of Santa Cruz may contract with the other party for any services or activities authorized to be performed pursuant to this article.

31144.5. (a) Whenever, in the opinion of the board of directors, the public interest or convenience may require, the board of directors may undertake any work necessary or incidental to the prevention, mitigation, abatement, or control of water pollution from public, combined, or private onsite waste water disposal systems, or to repair damages resulting therefrom.

(b) For purposes of this section, "water pollution" means actual or threatened pollution to the San Lorenzo River and its tributaries, ground and surface waters of the district, and water flowing into, through, or originating within watercourses, both natural and artificial, within the district.

(c) The work may be performed on private property with the prior written consent of the owner thereof, if the board of directors of the district, in the resolution of intention, determines that it is in the public interest to do so.

(d) The work or improvement shall be done and the cost thereof assessed and collected in accordance with the procedures of the Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code), the Municipal Improvement Act of 1913 (Division 12 (commencing with Section 10000) of the Streets and Highways Code), or the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code).

31144.6. Any violation of a regulation of the district adopted pursuant to Section 31144 is a misdemeanor punishable by a fine not to exceed five hundred dollars ($500), or imprisonment in the county jail not to exceed 60 days, or by both that fine and imprisonment.

Each day of the violation shall constitute a separate offense. Any violation or threatened violation of a regulation of the district may also be enjoined by civil suit.

SEC. 3. The Legislature hereby finds and declares that a unique situation exists within the Lompico County Water District because of a large transient population, extensive use of private septic systems, land topography and population density that create special problems for sewage treatment and disposal, remoteness to other urbanized areas in the county, an immediate need to meet water quality control laws and the health and safety requirements of the district inhabitants, and the existence of a public agency capable of performing the needed public service. The Legislature further finds and declares that a general act cannot be made applicable to this unique situation and that it is, therefore, necessary to enact this special act relating to the Lompico County Water District.

SEC. 4. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

SEC. 5. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order (1) to provide for the sound management of the groundwater resources of the Pajaro Valley which are suffering from special problems which immediately threaten the continued availability of groundwater in those basins, and to protect the agriculture and the economic well-being of that valley which are dependent on the groundwater resources, and (2) to repair and abate water pollution damage in the Lompico County Water District as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 258

An act making appropriations for the support of the government of the State of California and for several public purposes in accordance with the provisions of Section 12 of Article IV of the Constitution of the State of California, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 27, 1984, Filed with Secretary of State June 27, 1984]

I object to the following appropriations contained in Assembly Bill No. 2313·

Section 1 30

Section 1.30 extends for one year continuous appropriations which are contained in various laws.

I am modifying Section 1 30 to exclude the extension of the continuous appropriation provided in Government Code Section 16100 for personal property tax subventions as provided in Government Code Sections 16111, 16115 and 16115 5.

The Budget I proposed in January eliminated the Personal Property Tax Relief subvention in FY 1984–85 as one component of a major restructuring of local government finance This subvention has been difficult for both the State and local agencies to track from one year to the next and in reality no longer operates as a reimbursement for the actual value of lost property tax revenues Instead, I proposed legislation to repeal this subvention and provide reliable and predictable funding sources in its place However, at this time, the Legislature has not acted to establish these replacement funding sources.

I am asking the Legislature to enact legislation which will provide local governments with the proposed replacement revenues.

Item 0110-001-001—For support of Senate. I reduce this item from $56,838,000 to $41,012,000 by reducing:

(d) Contingent Expenses from $54,447,000 to $38,621,000

I am reducing this item at the request of the Senate President pro Tempore and the Senate Minority Floor Leader. The Legislature should implement this reduction in a manner consistent with the provisions of Proposition 24. I will be glad to cooperate should any additional technical fiscal measure be required and requested by the Democrat and Republican leadership.

Item 0120-011-001—For support of Assembly. I reduce this item from $74,885,000 to $53,666,750 by reducing·

(d) Contingent Expenses from $69,913,000 to $48,694,750.

I am reducing this item at the request of the Speaker of the Assembly and the Assembly Minority Floor Leader The Legislature should implement this reduction in a manner consistent with the provisions of Proposition 24. I will be glad to cooperate should any additional technical fiscal measure be required and requested by the Democrat and Republican leadership.

Item 0565-001-001—For support of the Commission on Industrial Innovation. I eliminate this item.

I am eliminating this item because the Commission duplicates functions performed by the Department of Economic and Business Development.

Item 0660-101-890—For local assistance, Office of Economic Opportunity. I reduce this item from $110,955,000 to $110,055,000 by reducing:

(b) 40—Community Services from $27,801,000 to $26,901,000.

I am reducing this item by $900,000 because I do not believe it is appropriate to take away funds appropriated by Congress to help the aged and poor pay for the high cost of gas and electricity and use these funds for additional support of selected community action agencies and the Community Services Block Grant (CSBG) Program.

I believe that it is appropriate to implement the goals of Chapter 4, of the 1983 First Extraordinary Session, which requires that CSBG funds be distributed based on

specified low-income population data. However, in recognition that specified agencies will be adversely impacted by the shift in funds, I am retaining that language which requires only two-thirds of the change, thereby providing one additional year of transition. I also am directing the Office of Economic Opportunity to work with those agencies adversely affected to develop alternatives which may mitigate further the impact of Chapter 4.

I also am eliminating budget act language (Provision 6) that requires OEO to establish a fourth migrant farm worker district because I believe existing migrant farm worker districts are able to provide effective services. In addition, this proposal would result in increased administrative costs with uncertain program benefits.

Item 0660-111-890—For local assistance, Office of Economic Opportunity. I eliminate this item.

I am eliminating this item because it is premature to establish program priorities for Petroleum Violation Escrow Account funds before the level and availability of funding are known

Item 0820-001-001—For support of the Department of Justice. I reduce this item from $100,660,000 to $99,741,000 by reducing:

(e) 40—Criminal Law from $20,651,000 to $19,732,000.

I am reducing $919,000 and 18 positions from this item for establishment and expansion of a major fraud unit Although I believe that prosecution of major fraud cases is primarily a local responsibility, local agencies may lack the expertise and resources needed to handle these cases Therefore, I have retained $900,000 and 17 positions to provide increased expertise and multi-jurisdictional coordination in this area and will monitor the department's progress to assess subsequent needs.

Item 0820-001-014—For support of the Department of Justice. I eliminate this item.

I am eliminating this item because litigation of toxic waste violations is primarily the responsibility of local district attorneys. However, if the workload for toxic control enforcement should develop which supports the need for additional positions for the Department of Justice, these positions can be administratively established by the Department of Finance during the year.

Item 0820-001-465—For support of the Department of Justice. I eliminate this item.

I am eliminating this item because I believe that utility rate litigation can be conducted satisfactorily from existing resources in the Department of Justice. In addition, I believe that the Public Utilities Commission has the primary constitutional responsibility to approve fair and equitable rates.

Item 0840-001-001—For support of State Controller. I reduce this item from $43,887,000 to $43,837,000 by reducing·

(a) Personal Services from $36,898,000 to $36,858,000, and

(b) Operating Expenses and Equipment from $20,545,000 to $20,535,000.

I am vetoing this funding since Chapter 1054/83 provided support for the Controller's duties under this act and because the use of additional General Fund support would not benefit the State.

Item 0860-001-001—For support of State Board of Equalization I reduce this item from $72,629,000 to $72,128,000 by reducing·

(a) Personal Services from $87,368,000 to $86,888,000, and

(b) Operating Expense and Equipment from $22,650,000 to $22,629,000.

This reduction includes $501,000 and 26 limited term positions added by the Legislature for the collection of delinquent sales and use taxes. It is not clear that additional staff in this activity will result in increased revenue. Other factors, including the state of the economy, can have a greater impact on gains or losses of revenue independent of additional collection efforts. The budget provides the Board with an increase in General Funds of nearly 5 percent over the 1983–84 fiscal year. In addition, I believe the Board has sufficient staff and can prioritize existing workload to assure that its functions are carried out.

Item 0890-001-001—For support of the Secretary of State. I reduce this item from $13,667,000 to $13,562,000 by reducing:

(a) Personal Services from $7,906,000 to 7,860,000, and

(b) Operating Expenses and equipment from $3,681,000 to $3,622,000.

I am allowing an increase of $29,000 and one position for increased workload in the notary public investigations function. I am also providing an augmentation of $51,000 and three positions to accommodate increased workload in the Uniform Commercial Code Program.

I am reducing $58,000 to lease additional space for archive storage at the existing facility because needs and costs have not been fully developed and reviewed. I expect a plan to be available for consideration for the 1985–86 fiscal year budget.

Item 1100-001-001—For support of Museum of Science and Industry. I reduce this item from $7,129,000 to $6,978,000 by reducing:

(a) Personal Services from $4,076,000 to $3,940,000, and

(b) Operating Expense and Equipment from $3,072,000 to $3,057,000.

I am reducing this item by $151,000 and six positions to provide increased security for the Afro-American History and Culture Museum. A combination of staff and security equipment designed to provide adequate security for the entire museum complex has been included in the budget. However, I am asking the Museum to work jointly with the State Police to assess the security requirements of the museum complex and take necessary administrative actions to assure the security of the facility and its exhibits.

Item 1140-006-001—For support of State Athletic Commission. I reduce this item from $625,000 to $516,000.

I am reducing a legislative augmentation by $109,000 and two positions to reflect the recommendations of a recent Auditor General report which was not available when the Legislature considered this item. I am retaining an augmentation of $62,000 for three limited term clerical positions to eliminate backlogs and increase the protection of boxers. This brings the budget increase to 20 percent for 1984–85 over the 1983–84 funding level.

Item 1390-046-758—For support of Board of Medical Quality Assurance. I reduce this item from $13,073,000 to $11,986,000 by reducing:

(a) 63.10-010—Board of Medical Quality Assurance from $13,516,000 to $12,429,000.

I am reducing this item by $1,087,000 and two positions. This reduction includes $87,000 and two positions to provide enforcement related to foreign-trained doctors. Three positions are retained to carry out the proposed enforcement activities. Additionally, I am reducing $1,000,000 for continuing education because the need for these funds was not demonstrated.

I eliminate Provisions 1 and 2, which would link the expenditure of enforcement funds to that of continuing education and provide for contracting with the Legislature, to reflect my veto of the funds provided for continuing education.

Item 1700-001-001—For support of the Department of Fair Employment and Housing. I reduce this item from $8,855,000 to $8,655,000 by reducing:

(a) 50—Administration of Civil Rights Law from $9,025,000 to $8,825,000

I am reducing this item by $200,000 for the funding provided to handle child discrimination in housing cases. The department includes this as normal workload, and it can be accomplished within existing resources.

I eliminate the language of Provision 3 which would require that $200,000 shall be used exclusively for the processing of complaints relating to unlawful discrimination against families with children to reflect my veto of the funds provided for this purpose.

Item 1760-001-344—For support of Department of General Services. I reduce this item from $1,400,000 to $1,339,000.

I am reducing a legislative augmentation for staff increases in the Office of Local Assistance by $61,000 because the need for additional positions has not been clearly demonstrated. However, I am retaining $61,000 of the augmentation to fund positions shown to be needed by the study of office procedures and workload standards currently being conducted by the Department of General Services.

Item 1760-001-666—For support of Department of General Services. I reduce this item from $235,608,000 to $235,012,000 by reducing:

(a) Personal Services from $126,818,000 to $126,470,000,

(b) Operating Expenses and Equipment from $176,197,000 to $175,791,000,

(i) Amount payable from the State School Building Aid Fund (Item 1760-001-739)

from −$742,000 to −$700,000,

(k) Amount payable from the State School Deferred Maintenance Fund (Item 1760-001-961) from −$318,000 to −$263,000, and

(*l*) Amount payable from the State School Lease Purchase Fund (Item 1760-001-344) from −$1,400,000 to −$1,339,000,

and by eliminating Provisions 6 and 7.

I am eliminating a legislative augmentation of $371,000 to forgive amounts owed the Service Revolving Fund from the Handicapped Access Account. The deficit in the Account should be recovered by increased fees, not by shifting the problem to another fund. I eliminate the language of Provisions 6 and 7 which was added by the Legislature because the corresponding appropriation for this language has been eliminated.

I am also changing the schedules in this item to reflect reductions totaling $158,000 in Items 1760-001-344, 1760-001-739, and 1760-001-961 which are payable to this item. In making these reductions, I am retaining funding for five of the ten positions added by the Legislature for the Office of Local Assistance. These positions will be established to the extent that the need for them is demonstrated by the study of the procedures and workload standards, which is currently being conducted by the Department of General Services.

I am also eliminating a legislative augmentation of $225,000 for seven additional State Police Officer positions. I am directing the department to assess security requirements in San Jose and take necessary administrative actions to assure the security of the State facility.

Item 1760-001-739—For support of Department of General Services. I reduce this item from $742,000 to $700,000.

I am reducing a legislative augmentation for staff increases in the Office of Local Assistance by $42,000 because the need for additional positions has not been clearly demonstrated. However, I am retaining $42,000 of the augmentation to fund positions shown to be needed by the Study of Office Procedures and Workload Standards currently being conducted by the Department of General Services.

Item 1760-001-961—For support of Department of General Services. I reduce this item from $318,000 to $263,000.

I am reducing a legislative augmentation for staff increases in the Office of Local Assistance by $55,000 because the need for additional positions has not been clearly demonstrated. However, I am retaining $55,000 of the augmentation to fund any positions shown to be needed by the Study of Office Procedures and Workload Standards currently being conducted by the Department of General Services.

Item 1760-301-036—For capital outlay, Department of General Services. I reduce this item from $10,999,000 to $5,121,000 by eliminating:

(7) Sacramento—acquisition, preliminary plans, working drawings, and construction for Sacramento parking garage ($5,878,000).

I am eliminating this project and its associated control language. The provision related to legislative control of the operation of this garage constitutes an unacceptable encroachment upon Executive authority.

Item 1900-001-001—For support of the Public Employees' Retirement System. I reduce this item from $59,000 to $57,000 by reducing:

(a) 10—Retirement from $24,000 to $23,000, and

(b) 20—Social Security from $35,000 to $34,000.

My action on this item conforms with the reduction in Item 1900-001-830.

Item 1900-001-815—For support of the Public Employees' Retirement System. I reduce this item from $212,000 to $210,000.

My action on this item conforms with the reduction in Item 1900-001-830.

Item 1900-001-820—For support of the Public Employees' Retirement System. I reduce this item from $151,000 to $150,000.

My action on this item conforms with the reduction in Item 1900-001-830.

Item 1900-001-830—For support of the Public Employees' Retirement System. I reduce this item from $29,177,000 to $28,265,000 by reducing:

(a) 10—Retirement from $27,850,000 to $26,957,000,

(b) 20—Social Security from $573,000 to $562,000,
(c) 40—PERS System Redesign Project from $882,000 to $874,000,
(d) 50.01—Administration from $15,865,000 to $15,481,000, and
(e) 50.02—Distributed Administration from −$15,191,000 to −$14,807,000.

Much of this augmentation was requested in anticipation of potential legislative mandates. Administrative costs of those bills should be contained in the appropriate legislation. A satisfactory workplan was not submitted to justify an additional $850,000 to implement the findings of a recent management study. The $250,000 provided in the budget to bring about the suggested changes is adequate.

I eliminate Provision 1 which is no longer necessary with the veto of this funding.

Item 1900-001-950—For support of the Public Employees' Retirement System. I reduce this item from $2,634,000 to $2,600,000 by reducing:

(b) 30—Health Benefits from $2,647,000 to $2,613,000.

My action on this item conforms with the reduction in Item 1900-001-830.

Item 1920-001-835—For support of State Teachers' Retirement System. I reduce this item from $12,595,000 to $12,215,000 by reducing:

(a) 100000—Personal Services from $8,375,000 to $8,125,000, and
(b) 300000—Operating Expenses and Equipment from $4,637,000 to $4,507,000.

I am retaining $173,000 and 8 positions for a one-year limited term to meet workload issues which are currently being met through the use of overtime. All other policy changes and resultant staffing proposed in this augmentation should be handled through the normal review process

Item 1960-001-001—For support of Department of Veterans' Affairs. I eliminate the language contained in Provision 4.

I am deleting Provision 4 which would require redirection of $50,000 from other programs to fund AB 3443. Costs associated with the bill should be funded through an appropriation in the legislation

Item 2180-001-001—For support of Department of Corporations.

I am eliminating the following language contained in item 2180-001-001 which would prohibit the Commissioner of Corporations from receiving a salary each month if medical surveys in the Health Care Service Plan program are not conducted in accordance with the timetable to be determined:

"The Governor may impose sanctions, including but not limited to, withholding the salary of the director of the department for any month in which the reporting and survey requirements are not met, for failure to meet the reporting and survey requirements."

I am eliminating budget act language that may prohibit payment of the Director's salary because it is an infringement on the separation of powers in that it usurps executive branch authority to effectively administer this office. Furthermore, the language in inappropriately punitive and does not provide adequate relief for justifiable, unforeseen delays in the medical survey process.

Item 2200-001-001—For support of the Department of Economic and Business Development. I reduce this item from $12,834,000 to $11,899,000 by reducing.

(d) 50—Small Business Development from $6,125,000 to $5,190,000.

I am reducing this item by $935,000 to eliminate a legislative augmentation that would have funded a new urban regional corporation and provided additional loan guarantee funds. There currently exist three urban corporations, one located in the Bay Area. Also, consideration of adding new corporations should be based on the ability of the existing corporations to become independent of State funding.

I am also deleting a portion of the language contained in Provision 2 which specifies the distribution of the $935,000 augmentation:

"up to $185,000 shall be for administrative support and $750,000 shall be for loan guarantees to support a new regional corporation in San Francisco, and"

Item 2660-001-140—For support of the Department of Transportation Advanced Methanol Research Project. I eliminate this item.

This item would fund the first phase of a three-phase advanced methanol engine research project However, there is no assurance that such an engine, if developed, would be marketable. Additionally, private industry currently has major incentives to

develop and produce energy-efficient engines due to State and Federal clean air standards, Federal mileage vs. fuel consumption target levels, and the Federal "gas guzzler" tax which taxes automobiles that consume fuel over an acceptable level. Therefore, State financing is not required.

Item 2660-051-047—For support of the Department of Transportation. I eliminate this item.

In 1984–85, the Transportation Planning and Development Account (TP & D) is facing a potential deficit situation. By eliminating this item, this $2 million will remain in the Abandoned Railroad Account, to be used for various rail service projects This amount could offset TP & D expenditures for similar projects and would minimize any deficit and assure adequate funding for the other budgeted transportation projects

As a general principle, I do not favor diverting special funds to maintain the General Fund.

Item 2660-301-046—For capital outlay of the Department of Transportation. I reduce this item from $5,300,000 to $3,300,000 by eliminating funding for the San Francisco to Monterey (Del Monte) rail upgrade ($2,000,000), by reducing·

(1) 30—Total Mass Transportation from $12,037,000 to $10,037,000.

I am vetoing $2 million for the upgrading of the San Francisco to Monterey Rail lines since the successful development and use of the rail service is contingent upon several requirements that cannot be met. The major pertinent factors are

1. Whether the rail system could extend to the San Francisco central business district,

2. Whether an agreement could be reasonably and successfully negotiated with Southern Pacific Railroad Company which owns the rail lines;

3. Whether local matching funds in the amount of 50 percent of costs would be made available; and

4. Whether funding would be available for the upgrading (approximately $4.5 million), annual operating cost ($4 million), and purchase of the equipment (several million dollars, no cost estimates available).

It appears unlikely that the first three conditions can be met. In addition, funding is currently not available for the operating and equipment acquisition costs.

I am also taking conforming action on language Provision 1 to reduce the specified dollar amount from $5,300,000 to $3,300,000.

Item 2720-001-044—For support of Department of the California Highway Patrol. I reduce this item from $351,108,802 to $346,613,802 by reducing

(a) 10—Traffic Management from $315,650,143 to $311,494,143,

(b) 20—Regulation and Inspection from $31,662,000 to $31,358,000,

(c) 30—Vehicle Ownership Security from $7,317,000 to $7,282,000,

(d) 40.01—Administration from $78,582,000 to $78,204,000 and

(e) 40 02—Distributed Administration from −$78,582,000 to −$78,204,000.

I am reducing this item by $4,495,000 which will eliminate a $4,276,000 salary increase for nonrepresented uniformed California Highway Patrol (CHP) personnel I am eliminating this augmentation, as I did in the 1983–84 Budget Act, because I continue to maintain employee compensation increases should be provided through the statewide compensation increases eleswhere in the budget rather than through individual departmental appropriations.

Further, these personnel received an 11 percent compensation increase in 1983–84 They are also included in the 1984–85 Governor's Budget employee compensation package for up to another 10 percent This vetoed augmentation could have provided another 14 percent for a total compensation increase of up to 35 percent since July 1, 1983 I believe the past increases and the statewide compensation increases contained in this budget are reasonable and adequate at this time.

Also included in this reduction are:

$173,000 for the continuation of the Statewide Hazardous Materials training I am eliminating this augmentation because I believe CHP currently has the ability to maintain emergency toxic spill readiness and to provide the CHP traffic officer training from existing resources. If other State and local agencies require CHP training of this nature it should be incorporated as part of the CHP's ongoing reimbursed training efforts.

$45,000 for the purchase of ultrasonic thickness gauges for use in the inspection of cargo tanks hauling hazardous materials I am eliminating this augmentation because the CHP has an equipment budget for 1984–85 of $14 million. These gauges can be funded from within this resource.

$1,000 for membership dues for the Multi-Highway Association I am eliminating this augmentation because these dues can be funded from within the CHP's existing resources.

I eliminate the language of Provisions 8, 9, and 11 which were added by the Legislature because the corresponding appropriations for these provisions have been eliminated.

Item 3360-001-033—For support of State Energy Conservation and Development Commission. I reduce this item from $6,179,000 to $5,366,000

I am reducing this item by $813,000 because the Commission has indicated that there is adequate staff to carry out the statutory responsibilities in the area of non-residential building standards. This reduction conforms to my reduction in Item 3360-001-465.

Item 3360-001-465—For support of State Energy Conservation and Development Commission. I reduce this item from $22,110,000 to $21,859,000 by reducing:

(a) Personal Services from $13,601,000 to $13,299,000,

(b) Operating Expenses and Equipment from $7,624,000 to $6,862,000, and

(d) Amount Payable from the Energy Conservation and Assistance Account (Item 3360-001-033) from −$6,179,000 to −$5,366,000.

I am reducing this item by $251,000 and the scheduled expenditures that flow through this item by $813,000 to reflect the following actions

I am eliminating $251,000, 4 8 personnel years and Provision 3 of the control language which were added to increase the Commission's activities in residential building standards; and elimination of $813,000 and 3 3 personnel years which were added to increase the Commission's activities in non-residential building standards. The Commission has indicated that there is adequate staff to carry out the statutory responsibilities in the area of building standards.

Item 3540-001-001—For support of Department of Forestry.

I am eliminating 69 6 personnel years added by the Legislature in the Schedule A Program I am also eliminating the control language in Provision 8 that prohibits the department from redirecting existing positions to Schedule A activities The department has already adopted a plan that will enable it to fulfill its Schedule A contract requirements for the 1984–85 fiscal year and therefore, does not need these additional 69.6 personnel years. Further, the control language constitutes an undue restriction on the department's administrative options. In addition, the Department of Forestry and the Department of Finance have initiated a cooperative study to review the Schedule A Program and evaluate the need for additional staff. This study will be completed in time to be considered prior to development of the 1985–86 Governor's Budget.

I am also eliminating the control language in Provision 5 regarding payment of Bureau of Land Management billings. This language jeopardizes the coordinated response effort that has served both the State and federal governments so well. Cancellation of these contracts is not in the best interest of the State of California.

Finally, I am eliminating the following control language regarding the Gonzaga Conservation Camp.

"The Department of Forestry and the Department of Corrections are authorized, instead, to locate this camp facility at any of the following locations: Coe Ranch Headquarters, Coit Camp No. 1, Coit Camp No. 2, Dowdy Ranch, Hoover Lake, Paradise Flat, Upper San Antone Valley, Little Panoche Detention Reservoir, Pacheco Summit, Old Stanislaus Road Camp, or Old Road Camp, New Coalinga, Fresno County, or another location in Merced County that is acceptable to the board of supervisors and the appropriate Senate and Assembly representatives, or another county within the state that is acceptable to the board of supervisors and the appropriate Senate and Assembly representatives."

This language improperly delegates to members of the Legislature and local

government the executive authority to site camps and restricts the department's ability to review all options.

Item 3540-001-140—For support of the Department of Forestry. I reduce this item from $3,445,000 to $3,295,000 by eliminating:

(b) Forest Genetic Resources ($150,000).

I am reducing this item by $150,000 by eliminating the augmentation for the gene resources project. This project should be submitted for consideration during the normal budget process where a thorough analysis and evaluation of its merits can be achieved. I am also eliminating the budget control language relating to the gene resources project as a conforming action

Item 3540-001-928—For support of Department of Forestry I am eliminating Provision 1.

I am eliminating Provision 1 added by the Legislature that would require $659,000 from this item be used for the Urban Forestry Program. If the department, within its existing statutory authority, deems that certain urban forestry activities are of sufficient priority to be warranted, they should be allowed the flexibility to fund such activities at an appropriate level and not be restricted by one amount as this language would provide

Item 3600-001-001—For support of Department of Fish and Game. I reduce this item from $5,800,000 to $3,931,000.

This technical change corrects an error in the budget act and provides conformity with legislative intent

Item 3600-001-140—For support of Department of Fish and Game. I reduce this item from $6,375,000 to $6,175,000

I am reducing this item by the $200,000 and 6 personnel year legislative augmentation which was made to the environmental review and evaluation program The department already has a staff level of 43.6 personnel years for this activity which is sufficient to fulfill its statutory mandates. It has achieved program efficiencies through a more selective, in-depth review of projects

My action reduces the amount payable from this item to Item 3600-001-200

Item 3600-001-200—For support of the Department of Fish and Game. I reduce this item from $52,232,000 to $51,229,000 by reducing·

(a) Personal Services from $44,246,000 to $44,076,000,

(b) Operating Expenses and Equipment from $37,312,000 to $36,279,000, and

(e) Amount Payable from the California Environmental License Plate Fund (3600-001-140) from −$6,375,000 to −$6,175,000.

I am reducing this item by $743,000 for wildlife habitat improvement projects on federal lands While these projects may have merit, the Fish and Game Preservation Fund may not have sufficient reserves to support this program in addition to adequately funding Fish and Game's ongoing and future fish and wildlife activities

I am also eliminating the legislative augmentation of $90,000 for a fisheries enhancement study of Santa Monica Bay. This same study is being proposed in AB 2642 Funding for the program should be contained in the bill

Further, I am eliminating the legislative augmentation of $170,000 for an expanded artificial reef program This same program is being proposed in AB 3462. Funding for the program should be contained in the bill.

Finally, I am reducing the amount payable from Item 3600-001-140 to conform with my action taken on that item, including the reduction of 6 personnel years in the department's environmental review and evaluation program The department already has a staff level of 43 6 personnel years for this activity which is sufficient to carry out its responsibilities

Item 3640-301-036—For capital outlay, Wildlife Conservation Board I eliminate this item

I am eliminating this item in the amount of $1,500,000 for habitat acquisition near Half Moon Bay The Board has $3,000,000 available for habitat acquisitions without restriction on project selection and can acquire ecological reserves based on study of statewide priorities This project can be funded if it is found to be a priority

Item 3640-301-140—For capital outlay, Wildlife Conservation Board. I am

eliminating budget control Provision 3 related to Greater Sandhill Crane habitat because the Wildlife Conservation Board needs to retain the ability to acquire ecological reserves based on study of statewide priorities. The Board has $3,000,000 available for habitat acquisitions without restriction on project selection. This project can be funded if it is found to be of sufficient priority.

Item 3760-001-140—For support of the State Coastal Conservancy. I eliminate this item.

I am eliminating this item in the amount of $355,000 for the support of an artifical seaweed project because the merits of such a project providing shoreline protection have not been demonstrated. This eliminates the amount payable from this item to Item 3760-001-565.

Item 3760-001-565—For support of the State Coastal Conservancy. I change this item by reducing.

(b) Operating expenses and equipment from $1,244,000 to $864,000 and

(d) Reimbursements from −$310,000 to −$285,000, and by eliminating:

(e) Amount payable from the California Environmental License Plate Fund (Item 3760-001-140) (−$355,000).

I am eliminating $355,000 from the amount payable from the California Environmental License Plate Fund and $25,000 in additional reimbursements for the support of an artifical seaweed project for beach erosion control purposes because the merits of this project have not been demonstrated. I am reducing these subitems to correspond to Item 3760-001-140

Item 3790-001-001—For support of Department of Parks and Recreation. I reduce this item from $66,355,000 to $66,245,000 by reducing·

(a) Personal Services from $74,943,000 to $74,863,000, and

(b) Operating Expenses and Equipment from $30,779,000 to $30,649,000,

and by eliminating

(h) Amount payable from the California Environmental License Plate Fund (Item 3790-001-140) (−$100,000).

I am reducing this item by $110,000 to reflect the following actions·

Reduction of an augmentation of $260,000 and 5 positions to $180,000 and 2 positions for the department to implement a system to catalog and preserve the department's art and artifact holdings This is an appropriate funding level for the preliminary phase of such a project. I believe it is premature to initiate this multi-year program at the higher level before it has been adequately and appropriately planned.

Elimination of an augmentation of $30,000 in operating expenses for a recreation assessment study to determine the feasibility of future development and concessionaires at Franks Tract SRA. Studies such as these are part of the department's normal operation, and an augmentation is not required.

Also, elimination of the amount payable from Item 3790-001-140 to conform with my action taken on that item.

Item 3790-001-140—For support of Department of Parks and Recreation. I eliminate this item.

I am eliminating this item, which is for a toxic materials study, because I do not believe that this is an appropriate function to be assigned to the Department of Parks and Recreation. This kind of study is more properly a responsibility of the Department of Health Services, which already has undertaken work in this area.

Item 3790-101-140—For local assistance, Department of Parks and Recreation. I reduce this item from $1,510,281 to $1,235,281 by eliminating

(5) City of Sacramento, Sacramento History Center ($275,000).

I am eliminating this local assistance grant because the project would be more appropriately funded from a source such as the Special Account for Capital Outlay. I would be willing to sign legislation containing such an appropriation.

Item 3790-301-036—For capital outlay, Department of Parks and Recreation I reduce this item from $31,586,000 to $22,486,000 by eliminating:

(9.5) Gilroy Hot Springs—Acquisition option ($100,000),

(24.5) Santa Monica Mountains Area—Acquisition ($9,000,000).

I am eliminating the augmentation of $100,000 for the Gilroy Hot Springs acquisition

option and the related language because this project is fully funded from the 1984 bond fund, subject to the statutory approval process that I have cited in my message under Item 3790-301-722.

I am eliminating the augmentation of $9,000,000 for the Santa Monica Mountains Area acquisition because the scope and relative priority of this project has not been established nor has any urgency for 1984–85 funding been demonstrated.

I am approving the augmentation of $100,000 for the Motion Picture Museum to fund the preliminary work necessary for this project. It is my understanding that private funds will be utilized for project completion.

Item 3790-301-722—For capital outlay, Department of Parks and Recreation. I reduce this item from $14,911,000 to $8,911,000 by eliminating:

(2) Cascade Ranch-acquisition ($6,000,000).

This project, at its $6,000,000 cost, would constitute too great a first-year impact on the $145 million total available for State parks in the California Parks and Recreational Facilities Act of 1984. It is too early in the project nomination and selection process outlined in that Act to remove this amount of funding from possible allocation during those deliberations.

I am approving the remaining projects, which are less costly, subject to the condition that the Public Works Board is not to allocate funding until those projects have complied with the California Park and Recreational Facilities Act of 1984 and been approved by the Secretary of the Resources Agency.

The California Park and Recreational Facilities Act of 1984 (Proposition 18) outlined a process which would be followed for nominating projects, making comparative evaluations, and establishing priority lists of nominated projects. The process also called for public hearings by the Parks and Recreation Commission so that individuals, citizen groups, and other public agencies, as well as members of the Legislature, could nominate projects. This process was established in recognition that funds would be limited and that all projects should be considered before any expenditures are made. While it is possible that some of these projects are appropriately funded out of this bond fund, the fund allocation decision should not be made until the projects in question are evaluated with all other nominated projects.

Item 3790-301-742—For capital outlay, Department of Parks and Recreation. I am reducing this item from $4,533,000 to $4,483,000 by eliminating:

(5) Folsom Lake SRA-Lake Natomas Indian Museum ($50,000).

I am eliminating the augmentation of $50,000 for a study to determine the feasibility of an Indian museum at Lake Natomas because the department, with the support of its Native American Advisory Committee, has identified locations for regional Indian museums and Native American village sites throughout the State. The tribal Indian group from this region supports the regional museum already underway at Indian Grinding Rock State Historic Park.

Item 3860-001-140—For support of the Department of Water Resources. I reduce this item from $1,038,000 to $888,000.

I am eliminating this legislative augmentation of $150,000 for an urban creek revitalization program. An earlier pilot project demonstrated that the federal, local, and private sectors can implement this program without State assistance. Further, this same program is being proposed in AB 3789. Any funding for the program should be contained in the bill

Item 3940-001-001—For support of State Water Resources Control Board. I reduce this item from $17,243,000 to $16,733,000 by reducing:

(a) 10—Water Quality from $15,777,000 to $14,387,000, and

(e) Reimbursements from −$4,617,000 to −$3,737,000

I am retaining a legislative augmentation of $50,000 for a study of pollution problems and possible solutions regarding the New River, and I am directing the Board to use these funds to contract for the study rather than employ additional staff for the short duration of the study.

I am eliminating a legislative augmentation of $400,000 and 6.9 personnel years which would provide contingency funding and staffing for AB 3667, which establishes a State waste water pretreatment program. Funding for this new program should be contained in the enabling legislation.

I am eliminating a legislative augmentation of $110,000 which would provide contingency funding for SB 2193. Funding for this new groundwater protection program should be provided in the enabling legislation. I am also eliminating Provision 2 of the control language which relates to this augmentation.

In considering the Legislature's augmentation to deal with groundwater contamination, I am retaining funds in Item 3940-001-014, and I am eliminating reimbursements in this item to be received from increased waste discharge fees. I have already included an additional 13.3 personnel years in the Board's budget to permit the Board to implement a new, aggressive program for updating waste discharge orders. I believe it is more appropriate to deal with other activities addressed by the Legislature's augmentation with the funds appropriated from the Hazardous Waste Control Account. Therefore, I am including a $1,000,000 augmentation to that item (Item 3940-001-014) for this purpose. I am also eliminating Provisions 3 through 7 of the control language to conform to my action on this item.

Item 3940-001-014—For support of State Water Resources Control Board. I reduce this item from $2,362,000 to $1,362,000 by reducing:

Program 10—Water Quality from $2,362,000 to $1,362,000, and by modifying Provision 1.

I am eliminating a legislative augmentation of $300,000 and 5.7 personnel years to update waste discharge orders. The Budget already includes 69.7 personnel years for this effort. The case for staffing beyond this level has not been made. I am eliminating a legislative augmentation of $150,000 and 2.9 personnel years to issue new waste discharge orders. The Board is currently streamlining regulatory activities which will preclude the need for additional staff.

I am retaining $750,000 of a $1,100,000 augmentation included by the Legislature for the regional boards to conduct inspections and other enforcement activities. I am also retaining $250,000 of a $450,000 augmentation to ensure that the regional boards will be able to clean-up toxic waste sites. The State Water Resources Control Board agrees that this will provide the regional boards a substantial level of resources for 1984–85. As I indicated in my proposed budget, I am supporting a Toxic Substances Bond Act to facilitate clean up of toxic waste sites. This budget also includes substantial resources which I proposed for monitoring underground tanks. These new programs together with these augmentations will permit the State and regional boards to significantly enhance ground water protection. Consistent with the control language accompanying this augmentation, I am directing the Secretary of Environmental Affairs to work with the State Water Resources Control Board to identify specific tasks and activities which will be undertaken with these resources so these efforts can begin in January 1985, as anticipated in the program described by the Legislature.

In line with my action on this item, I am making the following changes to Provision 1 of the control language:

1 ~~$2,000,000~~ *$1,000,000* of the funds appropriated shall be used to establish positions in the Regional Water Quality Control Boards on or after January 1, 1985 ~~, according to the following schedule:~~ .

~~(a) 18 positions for waste discharge orders.~~

~~(b) 35 positions for inspections.~~

~~(c) 9 positions for enforcement.~~

~~(d) 18 positions for the toxics program.~~

Item 3940-001-140—For support of the State Water Resources Control Board, I eliminate this item.

I am eliminating this item which appropriates funds to continue a study on the potential construction uses for municipal waste treatment sludge. State participation in this study was intended for the first phase only, which will be completed by June 30, 1984. Continuation of this study should be funded by the private sector.

Item 4130-001-632—For support of the Health and Welfare Agency

Data Center. I reduce this item from $28,323,000 to $27,931,000.

This technical change corrects an error in the budget act and provides conformity with legislative intent.

Item 4140-001-001—For support of Office of Statewide Health Planning and Development. I reduce this item from $977,242 to $900,000 by reducing:

(a) 100000 Personal Services from $6,817,473 to $6,695,025,

(b) 300000 Operating Expenses and Equipment from $6,778,571 to $6,771,371, and

(g) Amount payable from Federal Trust Fund from −$1,778,406 to −$1,726,000.

I am eliminating the $77,242 legislative augmentation to add five positions for the Health Professions Career Opportunity Program (HPCOP) and the National Health Service Corps Program. These programs are operating successfully with existing staff and resources including 10 positions and approximately $600,000. In the future, the Health Professions Career Opportunity Program will continue to provide the necessary conferences and technical assistance statewide to increase the enrollment of minority students in medical schools.

I am also eliminating the following language relative to this augmentation:

"The Office of Statewide Health Planning and Development shall maintain an adequately staffed office to conduct Health Professions Career Opportunity Program and National Health Services Corps Program activities in southern California."

"The Office of Statewide Health Planning and Development shall establish a distinct Division of Shortage Area Health Professional Development containing the Health Professions Career Opportunity Program and the National Health Services Corps Program."

Item 4140-001-890—For support of Office of Statewide Health Planning and Development. I reduce this item from $1,778,406 to $1,726,000.

I am eliminating the $52,406 legislative augmentation to increase activities of the National Health Services Corps Program. The Federal Government establishes the level of service and funding for this program. Existing resources will enable the Office of Statewide Health Planning and Development to meet current program objectives. We do not anticipate receiving any additional Federal funds. This action is consistent with the action in Item 4140-001-001.

Item 4170-101-001—For local asistance, Department of Aging. I reduce this item from $16,345,000 to $9,461,000 by reducing:

(a) 10—Nutrition from $9,958,000 to $6,156,000, and

(1) 10.10—Congregate Nutrition from ($8,721,000) to ($5,223,000),

(2) 10.20—Home Delivered Nutrition from ($1,237,000) to ($933,000), and

(b) 30—Supportive Services and Centers from $5,428,000 to

$2,346,000.

I am reducing $5,674,000 because my proposed budget already includes sufficient General Fund augmentations to provide a 4 percent increase in total funds available for senior nutrition services. I believe the equity funding issue among the 33 Planning and Service Areas should be resolved by allocating any additional Federal funds received to those PSAs that are underfunded.

I also eliminate the following language relative to this item since this veto makes the language unnecessary:

"2. Of the amount available for Planning and Service Area No. 1, $80,000 shall be allocated to the Senior Nutrition and Volunteer Program."

I am reducing $960,000 from Supportive Services and Centers because it is inappropriate for the General Fund to provide a discretionary cost-of-living increase for programs that are primarily federally funded.

In addition, I am reducing $250,000 from the Ombudsman program because the Administration's budget increase of $700,000, which almost doubles the program, is sufficient to substantially enhance this activity. The new program level of over $1.6 million General Fund which I requested will enable the Ombudsman program to respond to a greater number of facility residents. As a result, complaint investigation and resolution will be enhanced and more volunteers will be recruited into the program.

I also amend the "$950,000" cited in Provision 3 to be "$700,000" which is consistent with my veto.

Item 4200-101-001—For local assistance, Department of Alcohol and Drug Programs. I reduce this item from $65,427,000 to $63,925,000 by reducing:

(a) 10—Alcohol Program from $34,103,000 to 33,320,000, and

(b) 20—Drug Program from $34,074,000 to $33,355,000.

I am reducing $1,502,000 for discretionary cost-of-living adjustment (COLA). This reduced level will provide $1,849,000 for a 3 percent COLA for local alcohol and drug treatment services which is consistent with the lower rate of inflation.

Item 4260-001-001—For support of Department of Health Services. I reduce this item from $100,965,961 to $96,880,011 by reducing:

(a) Personal Services from $132,890,253 to $131,020,474,

(b) Operating Expenses and Equipment from $92,201,901 to $89,183,344,

(d) Transfer to the Health Care Deposit Fund from $36,433,391 to $36,162,047,

(g) Amount Payable from the Health Care Deposit Fund from −$105,103,576 to −$104,479,493,

(h) Amount payable from the Hazardous Waste Control Account from −$11,433,348 to −$10,146,000, and

(o) Amount payable from the Local Health Capital Expenditure Account from −$294,433 to −$217,000,

and by eliminating

(r) Contingency Reserve $915,134.

I am taking the following actions:

Eliminating $271,344 from the funds provided to implement the settlement of the lawsuit, *Jackson* v *Rank*. Based on the contractual arrangements developed among the Department of Health Services, Employment Development Department, and the Department of Social Services, costs for implementation will be less than originally estimated.

Eliminating a legislative augmentation of $150,000 for operating expenses related to a study to compare cost-of-living adjustments granted with adjustments actually provided by long term care facilities in past years. This information is currently available from annual cost reports. Additionally, a study will not ensure that nursing homes appropriately allocate future COLA allocations to salary increases.

Also eliminating the following language relative to this augmentation:

> "The department shall conduct a skilled nursing facility expenditure study. For the "Salaries, Wages and Benefits" component of annual Medi-Cal rate increases for skilled nursing facilities, the study shall compare both the annual percentage increases provided in this component, including other rate adjustments, and the annual aggregate Medi-Cal rate increase to the percentage of average hourly wage and benefit increases paid to non-administrative employees by employee classification for the period beginning with the 1979–80 fiscal year through the most current fiscal year for which long-term health care facility cost reports have been submitted. For the three other components of the annual Medi-Cal rate increase for skilled nursing facilities, the study shall compare both the annual percentage increases provided in each component and the annual aggregate Medi-Cal rate increase to the average percentage changes in actual expenditures by skilled nursing facilities for the major elements of each of the three components for the same time period as above. Skilled nursing facilities shall be required to make available all necessary and appropriate records. The study shall compare these factors on a statewide and regional basis consistent with Medi-Cal reimbursement categories."

Approving a legislative augmentation of six positions and $260,366 in order to provide assistance to local water purveyors who are experiencing contamination of their drinking water supplies. Our drinking water must be safe. To that end, last year I signed into law, Chapter 881, Statutes of 1983 (AB 1803), requiring the Department of Health Services to evaluate each public water system to determine the potential for water contamination. The Department of Health Services would then notify the public water systems of the specific contaminants to be analyzed and would require a plan of correction

be developed and approved by the Department of Health Services. At the time I signed this legislation, I indicated that the Department believed the anticipated workload could be absorbed within existing resources. However, I feel that this effort is important enough that I am approving this augmentation in order to provide greater assistance in the monitoring and control of water contamination problems.

Eliminating a legislative augmentation of $1,225,081 and 26 positions which were added for the planning, development and actual implementation of drinking water standards. This workload should more properly be addressed once the initial review discussed above is completed.

Eliminating the following language relative to this augmentation:

"The department shall, develop, at a minimum, two primary drinking water standards (maximum contaminant levels) during fiscal year 1984–85 from among the following organic chemicals: trichloroethylene (TCE), 1, 1, 1, trichloroethane (TCA), perchloroethylene (PCE) and dibromochloropropane (DBCP); and develop five action levels (health advisories) during fiscal year 1984–85. Primary drinking water standards (maximum contaminant levels) may be developed, in addition to the above, in lieu of action levels (health advisories) as appropriate. Further, the department shall submit a report to the fiscal committees by March 1, 1985, that presents a plan for the development of primary drinking water standards (maximum contaminant levels) for 10 additional chemicals in fiscal year 1985–86. The report shall detail the staffing resources needed to implement the plan."

Eliminating a legislative augmentation of $365,134 which was added on a contingency basis in the event Federal funding decreases for the drinking water program. I do not support contingency budgeting. If Federal funding decreases, we should review this issue in a separate bill.

Also eliminating the following language relative to this augmentation:

"$365,000 of the amount appropriated in this item is a contingency reserve and shall only be expended if the federal support for the drinking water program is insufficient to fully support the program and staffing of 37 positions."

Approving a $300,000 legislative augmentation to allow the Department of Health Services to purchase highly specialized equipment for toxic analyses. The purchase of this equipment will enable the department to increase the effectiveness and productivity of existing staff by providing more timely analyses of field samples. I am, therefore, eliminating the $299,423 and 7.5 positions for the Food and Drug Program added by the Legislature since this equipment will enable existing staff to manage the anticipated workload.

Eliminating a legislative augmentation of $291,968 and five

positions which were added to develop a health effects analysis and toxicological review for toxic air contaminants. Since the Legislature eliminated the Air Resources Board increases which this augmentation was for, it is no longer necessary. Additionally, the Department of Health Services indicated that the workload could be absorbed within existing resources. I am also eliminating the three positions which were to be redirected for this purpose.

Approving a $1 million legislative augmentation which was added for Acquired Immune Deficiency Syndrome (AIDS). I believe this additional funding can be effectively used for epidemiological purposes, laboratory screening, continuation of the AIDS registry, as well as information and education programs relative to the dangers of AIDS. I am eliminating, however, three positions associated with this augmentation as I believe the workload can be contracted for instead of using State staff.

Eliminating a legislative augmentation of $100,000 which was added to provide research grants for Chemical Hypersensitivity Syndrome. This activity is currently the subject of proposed legislation, AB 3587, and the need for an augmentation to fund chemical hypersensitivity grants should be included and considered in that legislation.

Also eliminating the following language relative to this augmentation:

"Of the funds appropriated by this item, $100,000 shall be used for the following:

(1) Studies and surveys to examine epidemiologic, neurotoxic, genetic, enzymatic, and immunologic characteristics of chemical hypersensitivity.

(2) Research programs which would evaluate environmental design, soft technology, materials, and retrofitting of residences.

(3) Technical assistance grants to develop applications and proposals in order to procure Federal funds and private foundation grants.

Eliminating $1,383,000 of a legislative augmentation of $1,900,000 which was added to expand the current Tumor Registry to specified counties. The Legislature adopted supplemental language requiring the Department of Health Services to study the feasibility of expanding the registry statewide. This study is to include costs and benefits of expanding the registry, the use of the registry, implementation schedule, alternatives and which counties should be included. This study is to be completed and reported to the Legislature by December 31, 1984. It would be premature to augment this item for substantially expanding the registry until the study is complete. However, I am approving the remaining $517,000 which will enable the Department of Health Services to add Orange County to the current registry. I believe it is appropriate to include Orange County (1) because of its proximity to Los Angeles County, which is already included in the registry program and (2) due to the

highly industrial nature of Orange County.

Item 4260-001-014—For support of the Department of Health Services. I reduce this item from $11,433,348 to $10,146,000.

I am eliminating the following:

The $550,000 legislative augmentation to provide contingency funding for the Hazardous Materials Laboratory. It is not necessary. With the development of more efficient resources and through additional staff training, workload increases in the laboratory can be met within existing resources. I am also eliminating the following language relative to this augmentation:

> $550,000 of the funds appropriated by this item shall be held in reserve for the Hazardous Materials Laboratory. No funds shall be spent from the reserve until 30 days after the Director of the Department of Finance has provided notification to the Joint Legislative Budget Committee of the following: (a) an analysis of the laboratory workload, (b) the policies of the Toxic Substances Control Division to efficiently utilize laboratory services, and (c) an expenditure plan for contracts, staffing and equipment."

The $95,562 and three-position legislative augmentation to expand the Hazardous Waste Information System. I have already included in the Budget four new positions to meet increased workload in processing manifests and have not seen any additional justification for this legislative increase. I am also eliminating the following language relative to this augmentation:

> "The Department shall not fill three new positions for the Hazardous Waste Information System (HWIS) until it has submitted, by October 1, 1984, a report to the Joint Legislative Budget Committee on the HWIS which consists of the following:
>
> (a) A workplan, showing how the Department will reduce the suspense file; send out error letters to generators who have submitted incomplete manifests; and ensure that the data files are updated on a regular basis.
>
> (b) An allocation plan specifying to which HWIS functions seven new positions will be applied.
>
> (c) Procedures for prosecuting individuals pursuant to subdivision (a) of Section 25189 of the Health and Safety Code for failing to accurately complete manifests.

The $200,000 legislative augmentation to develop a training curriculum for State and local health officials in the inspection of hazardous waste facilities and enforcement of hazardous waste laws. A portion of this funding which would be used to pay registration fees should be funded from local registration fees and not from this item. In addition, technical assistance is now provided in other State programs. Moreover, explanation of State laws is not a part of this type of State assistance, and I do not believe it would be appropriate to make an exception in this area. I am also eliminating the following language relative to this augmentation:

> "Of the funds appropriated in this item, $200,000 shall be allocated

to the California Specialized Training Institute in San Luis Obispo to develop a curriculum and training program for State and local environmental health officials in the inspection of hazardous waste facilities and enforcement of the Hazardous Waste Permitting Program. In developing the training program, the institute shall, to the extent practical, utilize elements of existing training efforts developed by the U.S. Environmental Protection Agency, State or local agencies which would be applicable to such an investigative, surveillance type of training program."

A legislative augmentation of $125,794 and three positions to develop alternative technologies to landfill disposal of hazardous wastes. I am working with the Legislature on legislation which would establish projects to assist in the recycling or treating of hazardous wastes. I believe that this is an appropriate approach to developing alternative technology.

A legislative augmentation of $315,992 and nine positions to continue the Abandoned Site Project. The regions most likely to have severe problems have been already identified. Our major emphasis now should be to clean up these sites which pose the most serious threats to public health and safety. As I indicated in my proposed budget, I am supporting a Toxic Substances Bond Act to be placed on the November ballot for voter approval. This Bond Act will provide $300 million to take remedial action on up to 100 hazardous waste sites throughout the State.

Item 4260-001-890—For support of Department of Health Services. I reduce this item from $266,890,128 to $266,537,389 by reducing:

(e) Transfer to HCDF from $68,138,242 to $67,785,503.

I am vetoing $352,739 from the funds provided to implement the settlement of the lawsuit, *Jackson* v *Rank*. Based on the contractual arrangements developed between the Department of Health Services, the Employment Development Department and the Department of Social Services, costs for implementation will be less than originally estimated, and these funds will not be needed.

Item 4260-001-900—For support of Department of Health Services. I reduce this item from $294,433 to $217,000.

I am eliminating the legislative augmentation of $77,433 and 2 positions because the workload justification for this activity has not yet been developed. Adequate staff can be established for support of capital facilities improvements once the actual level of need for this purpose is determined.

Item 4260-101-001—For local assistance, Department of Health Services. I reduce this item from $1,867,520,000 to $1,856,761,000 by reducing:

(a) 50.10—County Administration from $50,252,000 to $44,633,000, and

(b) 50.11—Medical Care and Services from $1,844,764,000 to $1,839,624,000.

While I am approving the $6,360,000 augmentation for restoration

of nonsteroidal drugs, I am eliminating the $1,598,000 legislative augmentation to allow all FDA-approved nonsteroidal anti-inflammatory drugs to be included in the Medi-Cal drug formulary. Under current State law the Medi-Cal drug formulary does not include drugs for which there are therapeutically equivalent alternatives that are less costly. In addition, the Department of Health Services is reticent about adding new FDA-approved drugs to the formularly until they have been proven safe in widespread use. Therefore, I do not believe it is desirable to make all of these drugs available through the formulary based solely on FDA approval.

In addition, I am:

Eliminating the $3,385,000 legislative augmentation to reimburse nursing homes for providing laundry and haircut services to Medi-Cal beneficiaries. Instead, I support an alternative proposal now being considered by the Legislature to increase the personal and incidental needs allowance of Medi-Cal beneficiaries in long-term care facilities. This increased allowance may be used for laundry and haircut services, or for other needs. I believe this proposal is more equitable, since it would benefit all Medi-Cal beneficiaries in long-term care facilities, and it would permit them to decide how to best meet their personal needs.

Eliminating the $157,000 legislative augmentation to continue the Municipal Health Services Project. The project receives a reimbursement rate which exceeds the rate paid to other Medi-Cal providers. The clients of the project can receive equivalent services from other providers at a lower cost to the State.

Striking the following language relative to this augmentation:

"Of the amounts appropriated in this item and Item 4260-101-890, $314,000 shall be expended for the Robert Wood Johnson Foundation Municipal Health Services Pilot Project in Santa Clara County only if the project is granted an extension of its pilot project contract through Federal fiscal year 1984–85 from the Federal Health Care Financing Administration."

Eliminating the $5,619,000 augmentation which would allow counties to be exempted from sanctions under certain circumstances if their denial rate for Medi-Cal applications exceeds the rate established in Chapter 1594/82 (SB 2012). The Health and Welfare Agency has not made any finding that exceptions to this statute are warranted.

Striking the language relative to the funds appropriated for this purpose as contained in Provision 19 of this item.

Item 4260-101-890—For local assistance, Department of Health Services. I reduce this item from $1,975,945,915 to $1,970,806,915 by reducing:

(b) 50.11—Medical Care and Services from $1,894,755,915 to $1,889,616,915.

While I am approving the $6,360,000 for restoration of nonsteroidal

drugs, I am eliminating the $1,598,000 legislative augmentation to add all FDA approved nonsteroidal anti-inflammatory drugs to the Medi-Cal drug formulary. Under current State Law the Medi-Cal drug formulary does not include drugs for which there are therapeutically equivalent alternatives that are less costly. In addition, the Department of Health Services is cautious about adding new FDA approved drugs to the formulary until they have been proven safe in widespread use. Therefore, I do not feel it is desirable to make all of these drugs available through the formulary based solely on FDA approval.

I am also eliminating the $3,384,000 legislative augmentation to reimburse nursing homes for providing laundry and haircut services to Medi-Cal beneficiaries. Instead, I support an alternative proposal to increase the personal and incidental needs allowance of Medi-Cal beneficiaries in long-term care facilities. This increased allowance may be used for laundry and haircut services, or for other needs. I believe this proposal is more equitable, since it would benefit all Medi-Cal beneficiaries in long-term care facilities, and it would permit them to decide how to best meet their personal needs.

I am eliminating the $157,000 legislative augmentation to continue the Municipal Health Services Project. This project receives a reimbursement rate which exceeds the rate paid to other Medi-Cal providers. The clients of this project can receive equivalent services from other providers at a lower cost to the State.

These reductions are consistent with my action in Item 4260-101-001.

Item 4260-106-001—For Local Assistance, Department of Health Services. I reduce this item from $115,093,902 to $94,088,902 by reducing:

(a) Health Protection from $244,000 to $157,000,
(b) Community Health Service from $3,255,000 to $2,114,000,
(c) County Health Services from $42,895,000 to $29,817,000,
(d) Rural Health from $410,000 to $228,000,
(e) Medical Care and Services from $66,561,902 to $60,812,902, and
(f) County Administration from $1,728,000 to $960,000.

I am eliminating $21,005,000 of the discretionary COLA increase added by the Legislature for public health services and Medi-Cal. The 1984–85 Budget will provide $78,594,902 (for a 3 percent COLA). I am supporting a 3 percent increase for discretionary cost-of-living adjustment rather than the 2 percent I originally proposed in January. While I believe that the moderating inflation rate reduces the need for large COLAs, the bettering economy and the control over expenditures represented in this budget make this increase possible. All discretionary COLAs have been increased from 2 percent to 3 percent.

I am also eliminating the following language relative to this augmentation:

"Funds appropriated in this item shall first go to make

cost-of-living adjustments for adult day health centers. Reimbursements for adult day health centers shall be $34.45."

Although I am eliminating the augmentation for adult day health centers at this time, actual rate adjustments may be necessary and should be considered following a rate study.

Item 4260-106-890—For cost-of-living increases, Department of Health Services. I reduce this item from $64,461,901 to $57,716,901 by reducing:

(a) Medical Care and Services from $62,803,901 to $56,795,901 and

(b) County Administration from $1,658,000 to $921,000.

I am eliminating $6,745,000 of the discretionary cost-of-living adjustment (COLA) for Medi-Cal. The final budget provides $57,716,901 in new money for a 3 percent COLA, which is consistent with the lower rate of inflation.

Item 4260-111-001—For local assistance, Department of Health Services. I reduce this item from $1,004,797,224 to $955,546,224 by reducing:

(b) 11—Health Protection from $4,172,000 to $3,371,000,

(c) 20—Community Health Services from $112,356,000 to $95,656,000,

(d) 25—County Health Services from $878,211,224 to $848,211,224, and

(e) 40—Rural Health Services from $10,058,000 to $8,308,000.

I am taking the following actions:

Eliminating the $1,750,000 legislative augmentation for the Rural Health Services program as I believe the current level of $7.8 million provided in the budget is adequate. My budget will provide funding for approximately 58 Rural Health, Farmworker and Indian Health Clinics throughout the State including the clinics addressed by this augmentation which will be eligible for funding under this program.

Approving a $513,000 legislative augmentation to fund the Farmworker Health Insurance Project. This project will provide the State's 60 percent share for health premiums and will ensure that farmworkers have adequate access to health services.

Also eliminating the following language relative to this augmentation:

"Of the amount provided in this item, $250,000 shall be used for the development of farmworker health services in high-need area or areas.

Of the amount provided in this item, $100,000 shall go to the El Progreso Del Diseirto Clinic in Coachella Valley, $400,000 shall be for augmentations to existing contractors and $250,000 shall be for new program starts.

Of the amount provided in this item, $250,000 shall be used for the development of American Indian Health Services projects in the high-need areas of Kern County and San Diego County. In the event that the funds provided for in this item are not used by these two areas, the department shall fund new projects in other areas

of high need.

Of the amount provided in this item, $500,000 shall be used to provide a program of American Indian Health education, prevention, and outreach. In determining the allocation of these funds, the department shall establish a request-for-proposal process that shall require a competitive application from eligible providers."

Eliminating the legislative augmentations of $401,000 for the Dental Disease Prevention Program and $400,000 for the Preventive Health Care for the Aged program. I am supporting legislation now before the Legislature which would transfer these programs to local control. I believe that these augmentations should continue to be considered in the legislation.

Eliminating the $9,500,000 legislative augmentation for the Family Planning Program. I am supporting legislation now before the Legislature which would transfer this program to local control. I believe that this augmentation should continue to be considered in that legislation.

Approving an augmentation to the Child Health and Disability Prevention Program to allow the Department of Health Services to provide an additional health assessment per child. This assessment is to be performed early in the child's life. However, based upon an estimate of the cost of this additional service, only $2.5 million of the augmentation is necessary. Therefore, I am eliminating $2.5 million of the $5 million the Legislature added for this purpose. I am also instructing the department to use these funds so that the maximum number of children receive a second health assessment.

Eliminating the $4.7 million augmentation for the Primary Care Grants-in-Aid program. The budget already proposes $1.3 million to assist in stabilizing health care operational costs of clinics experiencing financial difficulty. If the State is to begin buying out a portion of the primary care clinics' ongoing costs, as suggested by this augmentation, such a major policy change should be considered in separate legislation.

Eliminating $30 million of the legislative augmentation to the Medically Indigent Adult Program because there is currently no clear way to measure and justify the level of additional need in this area. However, I am approving a $1,250,000 augmentation for the following purposes:

(1) $250,000 for transfer to Item 4260-001-001 to be used as needed to design a data collection system for the Medically Indigent Services Program. The system shall be designed in consultation with the Legislative Analyst's Office, the County Supervisor's Association of California and the California Association of Public Hospitals.

(2) $1,000,000 to be allocated to counties as needed to implement the data collection system.

Also eliminating the following language relative to the $30 million

augmentation:

"$20,000,000 shall be allocated by the Department of Health Services (DHS) to counties that demonstrate to the department that they are experiencing funding short-falls in serving medically indigent persons covered under Section 17000 of the Welfare and Institutions Code and/or are incapable of providing services due to lack of funds, for their medically indigent services programs.

$10,000,000 shall be allocated by the DHS to counties that have demonstrated to the department a need for funds using data collected under the data collection system specified in Section (i)."

Item 4300-001-001—For support of Department of Developmental Services.

I am eliminating reference to the $50,000 funding requirement contained in the language which directs the Department to contract with the California Hispanic Council on Developmental Disabilities. The elimination of the specific requirement that the total funding come from the department will allow the department to continue to receive alternative funding sources in support of the Fiesta Educativa Conference.

Item 4300-101-001—For local assistance, Department of Developmental Services. I reduce this item from $279,492,342 to $275,896,342 by reducing:

(fxx) Community Placement from $5,983,000 to $5,440,000, and

(g) Special Adjustment Cost-of-Living Adjustment from $11,103,000 to $8,050,000.

This item is increased from $220 million in 1983–84 to $276 million in 1984–85, a 27 percent funding increase in recognition of caseload growth and includes special adjustments for residential care services ($16 million), day program activities ($2 million) and specialized services ($1.9 million)—in all $56 million in increased spending.

I am reducing the Community Placement Plan by $543,000. This reduction in General Fund support is possible since the Program Development Fund has $543,000 available for expenditure above and beyond the 5 percent reserve established by the Legislature. I am directing the department to submit a Section 28 Letter to the Legislature requesting expenditure authority for the Community Placement Plan which provides for the placement of State hospital residents into the community.

I am also reducing $3,053,000 from the discretionary cost-of-living adjustment (COLA). The final budget will provide an additional $8,050,000 for a 3 percent COLA to provide additional support services for persons with developmental disabilities.

Item 4300-111-001—For local assistance, Department of Developmental Services. I reduce this item from $353,144,000 to $353,043,000 by reducing:

(c) 97.10—Special Adjustment—Cost-of-Living Adjustment from $227,000 to $126,000.

I am reducing $101,000 from the discretionary cost-of-living adjustment (COLA). The budget will provide $126,000 for a 3 percent increase consistent with the lower rate of inflation.

Item 4440-101-001—For local assistance, Department of Mental Health. I reduce this item from $371,870,000 to $364,007,000 by changing:

(a) Community Services from $386,971,000 to $389,745,000, and

(ax) Community Residential Treatment System from $25,830,000 to $15,193,000.

I am eliminating the $250,000 legislative augmentation for local mental health primary prevention projects. I believe that these projects should be supported from the sale of property confiscated during drug related arrests as prescribed within Chapters 1280 and 1289 of the Statutes of 1982. I have been informed that sufficient revenues will be available from these sources to support these program services during 1984–85.

I am eliminating $7,613,000 for discretionary cost-of-living adjustment (COLA). Our final budget still will provide $9,516,000 for a 3 percent COLA for local mental health programs which is consistent with the lower rate of inflation.

I am also eliminating Provision 9 which requires COLA funding in excess of 2 percent to be allocated on an equity basis and used for expanding only certain local mental health services. I believe that this language constitutes an appropriation and that the use of COLA funding is not appropriate to expand programs of special interest. Also, the allocation of COLA funding on an equity basis would provide a disproportionate cost-of-living allocation to the counties.

Item 4440-111-001—For local assistance, Department of Mental Health. I eliminate this item.

I am eliminating the $10,467,000 legislative augmentation for local mental health Community Residential Treatment System (CRTS) services which is indirectly funded from the State's Special Account for Capital Outlay (SAFCO). SAFCO funds should be restricted to one-time capital outlay expenditures and not redirected to expand ongoing program services. The budget contains $412.8 million for local programs for 1984–85. This includes a funding increase of $35 million to local mental health programs. Funds may be used to expand the CRTS programs as determined necessary by local mental health program.

Item 5100-001-870—For support of Employment Development Department. I reduce this item from $320,041,608 to $318,482,321 by reducing:

(a) 10—Employment and Employment Related Services from $127,878,608 to $126,319,321,

(a) (1) Employment and Employment Related Services from $152,881,608 to $143,557,321,

(a) (2) Reimbursements from −$25,003,000 to −$17,238,000,

(b) (1) 20—Tax Collection and Benefit Payments from

$194,256,000 to $194,006,000, and

(b) (2) 20—Reimbursements from −$2,093,000 to −$1,843,000.

The reduction of $7,765,000 and 171.9 positions from reimbursements will promote local control of certain employment service aspects of the Job Training Partnership Act while, at the same time, providing 52 positions within the Employment Development Department to assist those smaller local agencies where State involvement is warranted. The reduction also complies with the Federal government's direction to reduce State involvement in programs which are more appropriately conducted at the local level.

I am reducing Employment Services by $1,559,287 because that amount of Federal discretionary funding was diverted from its proposed use by the Legislature during recent budget deliberations. As a result, I believe there was not sufficient time to evaluate possible alternatives and the effects of the actions on clients. A review will be conducted during the early part of the 1984–85 fiscal year to determine whether other uses might be appropriate. The Legislature will be advised of our proposed use of the money through the Section 28 process.

I am also eliminating Provision 5 of this item since it specifies which projects are to be funded with the $1,559,287 in discretionary money.

I am reducing benefit payments by $250,000. Chapter 490, Statutes of 1983 (SB 813) makes available $250,000 annually for the cost of unemployment insurance benefits for certain employees of the State Special Schools. Additional funding is not required.

Item 5100-101-908—For Local Assistance, Employment Development Department. I reduce this item from $29,270,000 to $29,020,000.

I am reducing benefit payments by $250,000. Chapter 490, Statutes of 1983 makes available $250,000 annually for the cost of unemployment insurance benefits for certain employees of the State Special Schools. Additional funding is not required.

Item 5100-111-185—For local assistance, Employment Development Department. I eliminate this item.

I am eliminating this item, which was added by the Legislature to provide child care services to Job Training and Employment Act (JTPA) clients. I support the need for child care services as evidenced by my signing AB 1162 last year. That bill should provide several million dollars in child care funds when it is implemented later this summer.

Item 5160-101-001—For local assistance, Department of Rehabilitation. I reduce this item from $56,399,000 to $54,957,000 by reducing:

(a) 10—Vocational Rehabilitation Services from $394,000 to $295,000,

(b) 20—Habilitation Services from $52,300,000 to $51,129,000, and

(c) 30—Support of Community Facilities from $3,705,000 to

$3,533,000.

I am reducing the $194,000 augmentation for the Center for the Partially Sighted to $100,000. I support this program and, therefore, am providing for a 50 percent increase above the 1983–84 budgeted level. In addition. the Budget contains $13 million for services to the blind and visually impaired.

I am also reducing $89,000 for Independent Living Centers (ILCs). I already have provided $3.4 million in local assistance for 22 ILCs. These funds will provide each ILC a base allocation of approximately $60,000 to provide basic counseling, advocacy, and employment training services, and additional program funds on a specified client per capita basis. In addition, I am eliminating Provision 2 relative to the $89,000 augmentation.

I am reducing $1,259,000 from the discretionary cost-of-living adjustment (COLA). The budget will still provide $1,573,000 for a 3 percent COLA for additional support for the disabled.

Item 5180-001-001—For support of Department of Social Services. I reduce this item from $50,781,000 to $48,781,000 by reducing:

(c) 30—Community Care licensing from $18,372,000 to $16,372,000.

I am reducing $2,000,000 for a new child day care ombudsman program because there is pending legislation, SB 1754, that contains provisions to establish this program. The new program area within Community Care Licensing should be subject to normal policy consideration and review through the legislative process. The care of our children is of the highest priority, and I have had an Administration group working on this subject. We will be working with the Legislature to craft a bill which appropriately addresses this subject.

I also eliminate the following language relative to this item since this veto makes the language unnecessary:

"5. Of the funds appropriated by this item, $2,000,000 are for a Child Day Care Center Ombudsman Program."

Item 5180-101-001—For Local Assistance, Department of Social Services. I reduce this item from $1,553,282,000 to $1,543,506,000 by reducing:

(a) 10.04.005—Aid to Families with Dependent Children from $1,536,163,000 to $1,526,387,000.

I am reducing this item by $9,776,000. This augmentation would have reversed current State policy and regulations regarding the effective date of the first Aid to Families with Dependent Children (AFDC) aid payment. Current law provides that the beginning date-of-aid for an AFDC recipient is the day of eligibility or the first of the following month, but not later than 30 days from the date of application. The intent of the AFDC program is to provide for cash assistance to meet current need. Since no payment is made to an AFDC recipient until eligibility is determined, aid payment would not begin any sooner under the legislative proposal. However, in the

event an AFDC recipient has a demonstrated need, prior to authorization, the program can provide for immediate need payments for eligibles before the date of authorization.

Item 5180-101-866—For local assistance, Department of Social Services. I reduce this item from $1,679,823,000 to $1,669,438,000 by reducing:

(a) 10.04.005—Aid to Families with Dependent Children from $1,660,675,000 to $1,650,290,000.

I am reducing this item by $10,385,000 to correspond with action in Item 5180-101-001 which would maintain current regulations for date of the first AFDC aid payment.

Item 5180-141-001—For local assistance, Department of Social Services. I reduce this item from $117,240,000 to $114,240,000.

I am reducing this item by $3,000,000 to eliminate the augmentation for the Welfare Employment Services Program. The proposed demonstration project would be in conflict with current policy that AFDC recipients should be required to participate in Work Incentive (WIN) program activities that will enable them to become employed as quickly as possible. As such, this program represents a major policy change which should be accomplished through policy legislation.

I also eliminate the following language relative to this item since this veto makes the language unnecessary:

> "7. Upon request of the Department of Social Services, the Director of Finance shall transfer an additional amount not to exceed $3,000,000 to Item 5180-001-001 to enable the department to reimburse the Employment Development Department for services provided pursuant to an interagency agreement required to implement the Welfare Employment Services and Training Program."

Item 5180-151-001—For local assistance, Department of Social Services. I reduce this item from $219,624,700 to $197,200,500 by reducing:

(a) 20.30—Other County Social Services from $35,362,600 to $14,828,400,

(a) (1) 20.30.010—Child Welfare Services Grant from $35,362,600 to $14,828,400,

(b) 20.35—Specialized Adult Services from $151,217,700 to $149,327,700, and

(b) (3) 20.35.250—Access Assistance for the Deaf from $4,436,100 to $2,546,100.

I am reducing this item by $20,534,200 for Child Welfare Services in the Other County Social Services (OCSS) Program. Chapter 978, Statutes of 1982 (SB 14), made major changes to child welfare services programs and was only fully implemented on October 1, 1983. There is insufficient data on which to base an augmentation at this time. Also, according to the Department of Social Services' estimate the caseload is fully funded, and there is no justification for

any further augmentation for 1984–85.

In addition, the department has informed me that a considerable amount of this augmentation may be used to fund prior year COLAs. Since the Legislature rejected my proposal to fund prior year COLAs in the high priority areas of AFDC and Food Stamp administration, I believe it is inappropriate to fund what are essentially prior year COLAs in the OCSS area. However, I believe that the entire issue of prior year COLAs is of sufficient importance that I will be asking the department to review it very carefully so that it can be dealt with comprehensively as part of the 1985–86 budget process.

In addition, I am reducing this item by $1,890,000 for Access Assistance for the Deaf. The department has made a commitment to prepare a comprehensive statewide evaluation of the service needs for consideration as part of the 1985–86 budget and it would be premature to double the budget before the department can assess the total statewide need. I am providing $410,000 to fund the four service areas that the Legislature has determined to be of the highest priority for the 1984–85 fiscal year. Additional changes to the program can be considered in conjunction with the statewide evaluation mentioned above.

Item 5180-181-001—For local assistance, Department of Social Services. I reduce this item from $226,612,000 to $204,533,000 by reducing:

(b) 20—Social Services Program from $26,612,000 to $15,104,000,

(c) 30—Community Care Licensing from $405,000 to $226,000,

(d) 10.04.005—Aid to Families with Dependent Children from $93,493,000 to $85,835,000, and

(e) 10.20—County Administration from $6,151,000 to $3,417,000.

This reduction maintains a discretionary cost-of-living (COLA) increase in this item of $20,978,000 which will provide a 3 percent COLA more in line with the rate of inflation. In light of the rate increase of approximately 9 percent already included in the budget for Foster Family Homes, I am eliminating the cost-of-living increase of $4,054,000 for this program from this item.

Item 5180-181-866—For local assistance, Department of Social Services. I reduce this item from $121,380,000 to $117,675,000 by reducing:

(b) 20—Social Services Programs from $1,603,000 to $891,000,

(d) 10.04.005—Aid to Families with Dependent Children from $101,279,000 to $98,351,000, and

(f) 30—Community Care Licensing from $146,000 to $81,000.

This reduction maintains a discretionary cost-of-living (COLA) increase in this item of $18,788,000 which will provide a 3 percent COLA, more in line with the rate of inflation. In light of the rate increase of approximately 9 percent already included in the budget for Foster Family Homes, I am eliminating the cost-of-living increase of $1,316,000 from this item.

Item 5180-490—Reappropriation, Department of Social Services.

I support the need for beginning an In-Home Supportive Services (IHSS) demonstration project but believe that the total amount of the reappropriations added by the Legislature to fund IHSS Demonstration Projects in San Diego and Santa Cruz Counties is not needed to provide a reasonable demonstration. Therefore, I am eliminating the $2,000,000 reappropriation from Item 5180-151-001, Budget Act of 1983.

In addition, I am reducing the $3,000,000 reappropriated by this item from Item 5180-151-001 (b) (1) and Item 5180-181-001 (c) Budget Act of 1983 to $850,000 to fund only the Santa Cruz County project and only for one year rather than for three years as stated in this item. I believe that the San Diego project is duplicative of the Santa Cruz project and, therefore, unnecessary. In addition, I believe that funding for only the first year in Santa Cruz should be provided at this time. This will enable the Administration and the Legislature to review the results of the first year before deciding on the appropriate funding level for the second year.

I am, therefore, revising the language in this item as follows:

5180-490—Reappropriation, Department of Social Services. On the effective date of this act, notwithstanding any other provisions of law, any unencumbered balances of the appropriation provided in Chapter 1398, Statutes of 1982, is reappropriated for Demonstration Programs, Item 5180-151-001 (e) of this act, and shall be available for expenditure until June 30, 1985.

Reappropriation, Department of Social Services. Notwithstanding any other provisions of law, on the effective date of this act, up to ~~$3,000,000~~ *$850,000* of the unencumbered balances of the appropriations provided in Item 5180-151-001 (b) (1) and Item 5180-181-001 (c), Budget Act of 1983, ~~and up to $2,000,000 of the unencumbered balance of the appropriation provided in Item 5180/151/001, Budget Act of 1983,~~ are hereby reappropriated to fund a ~~three~~ *one*-year pilot project in Santa Cruz County ~~($2,500,000) and the first year of a three year pilot project in San Diego County ($2,500,000)~~, as authorized by Section 12314 of the Welfare and Institutions Code.

~~These funds shall be used first to fund pilot projects in San Diego and Santa Cruz Counties. If either of these counties are unable to use these funds, the remaining funds shall be available in 1984/85 for other counties that apply to the Department of Social Services for the same purpose.~~

Item 5240-311-724—For Capital Outlay, Department of Corrections.

I am eliminating budget control language Provision 4, added by the Legislature, that would restrict expenditure of appropriated funds (except for studies and master planning) for a new prison authorized to be built in Amador County. The language would require a property acquisition for which funds were not appropriated; would require annexation of the prison site by the City

of Ione, a circumstance beyond the State's control; and would foreclose water supply and sewage treatment options that may be available to the State. These provisions constitute undue restrictions upon Executive authority in siting this prison facility.

Item 6100-001-001—For support of Department of Education. I reduce this item from $27,346,000 to $25,811,000 by reducing:

(a) 10—Instruction from $6,964,000 to $6,889,000,

(1) 10—Total Instruction from $9,085,000 to $9,010,000,

(b) 20—Instructional Support from $10,086,000 to $9,236,000,

(1) 20—Total Instructional Support from $10,404,000 to $9,554,000,

(d) 41.00—Executive Management and Special Services from $5,456,000 to $4,846,000, and

(1) 41.00—Total Executive Management and Special Services from $5,694,000 to $5,084,000.

I am eliminating $75,000 provided for support of genetic disease training required by Chapter 685, Statutes of 1981. We believe that the $144,000 which has been annually provided since 1981–82 to the Department of Education for this purpose is sufficient to continue these workshops.

In addition, I am eliminating the $800,000 augmentation for the full development of the Golden State Examination. The two subject matter examinations funded by SB 813 should be developed before expansion of the program is considered.

I am also eliminating the $50,000 augmentation for the publication of the "Educational Futures" handbook. The Department of Education should fund this endeavor from within existing resources or again seek private sector funding.

I am reducing the amount provided for CALSTARS program modifications by $60,000. The remaining $436,000 will provide for first year programming efforts and will be sufficient to allow State staff to make the indicated modifications within two years.

In addition to the above, I am making reductions of $150,000 in the department's travel allotment and $400,000 in the consultant and professional services allotment. The travel allotment was not reduced corresponding to the reduction in staffing made by the department in the current year. Also, for the past two years, actual expenditures for consultant services have resulted in savings over the scheduled amount far in excess of the reduction I am making in this appropriation.

Item 6100-006-001—For support of State Special Schools. I reduce this item from $33,871,000 to $31,921,000 by reducing:

(a) Instruction from $36,811,000 to $34,861,000.

I am eliminating the $250,000 augmentation for the cost of unemployment insurance benefits for the nonprofessional employees of the State Special Schools. SB 813 provides an annual appropriation of $250,000 for these costs and the additional Budget Act appropriation is not necessary.

I am also eliminating the $1,700,000 augmentation intended to

replace lost revenues from districts for a portion of the costs of pupils placed in the State Special Schools. The imposition of a charge to school districts provides a necessary fiscal incentive to make appropriate student placements and should result in the most efficient use of the Schools' services. It is my intention that reimbursements be scheduled from the districts for such costs.

I am also deleting the language in Provision 2 because the corresponding appropriation has been eliminated.

With these reductions, the State Special Schools will still be able to pay the cost of unemployment insurance benefits from the SB 813 appropriation. In addition, continuing the statutory requirement that school districts contribute to the cost of pupils placed in the State Special Schools will provide for the most efficient use of the State Special Schools.

Item 6100-011-001—For support of Department of Education, California State Library. I reduce this item from $7,892,000 to $7,427,000 by reducing:

(a) Library Services from $7,905,000 to $7,440,000.

I am eliminating $307,000 and 6.0 positions which the Legislature added to this item for microfilming services at the State Library. I recognize the value of services such as these; however, I believe that the $415,000 remaining in the budget for preservation and microfilming services will provide a reasonable level of support for this long-term program.

In addition, I am reducing this item by $158,000 and 6.5 positions which were added by the Legislature to allow the State Library to increase its current hours of operation and extend its services to the general public. I am making these reductions because I believe that the State Library is more than adequately serving the constituency which it is required to serve within its current operating schedule. In addition, I do not believe that it is necessary to extend the library's services and collections, directly to the general public, since its collections are currently available to the general public through local libraries as a service of the inter-library loan program.

I am accepting the augmentation of $212,000 and the continuation of one position added by the Legislature to support the administration of the Adult Literacy Program, funded in Item 6100-211-001, in consideration of the significance of this problem and apparent early signs of program success. Continuation beyond the 1984–85 fiscal year will depend upon the results of a program effectiveness review.

Item 6100-025-001—For support of Federation of California Minority Radio Stations. I reduce this item from $1,000,000 to $125,000.

The goal of this Administration is to encourage public radio and television stations to seek funding from viewers, foundations and other private sources. However, I am convinced that some one-time assistance is necessary during the 1984–85 fiscal year for these radio

stations to enable them to pursue other sources of funding for on-going operations. Therefore, I am reducing this item to provide an augmentation of $125,000 to the Department of Education for allocation to the Federation of California Minority Radio Stations.

I am also deleting Provision 1 because the corresponding appropriation has been reduced.

Item 6100-101-001—For local assistance, Department of Education. I reduce this item from $6,182,596,000 to $5,995,331,000 by reducing:

(a) Program 10.10—School Apportionments, for the purposes of subdivision (f) of Section 42238 of the Education Code, from $5,647,083,000 to $5,465,083,000.

(i) Program 10.10—Instruction, for Regional Occupational Centers and Programs from $171,484,000 to $167,619,000.

(k) Program 10.10—School Apportionments, for minimum revenue guarantees, as specified in Provision 13 of this item, from $7,600,000 to $6,200,000.

I am reducing this item by $187,265,000. I am reducing $182,000,000 of the $5,647,083,000 appropriated for the apportionment of State general-purpose aid to K–12 school districts. Since the Legislature has not yet acted to reallocate the proceeds of the supplemental property tax roll to all local jurisdictions, K–12 school districts will be receiving $182 million of State subventions that were intended to replace the reallocated property taxes. Therefore, I am reducing the appropriation by this amount in recognition of K–12 receiving these additional property taxes. In addition, I am once again asking the Legislature to enact legislation on local government finance. When such legislation is enacted, this amount will be available for appropriation to schools to replace any redirected property taxes and to guarantee continued full support for K–12 education programs.

I am reducing $3,865,000 of the $7,729,000 augmentation provided for a statewide 5 percent growth in Regional Occupational Centers and Programs. During the past two years, State funding for Regional Occupational Centers and Programs (ROC/Ps) has increased by more than $20 million to support an 8.5 percent growth rate in the program during 1982–83 and a 10 percent rate of growth in 11th and 12th grade ROC/P pupils during 1983–84. Because of the priority SB 813 placed on serving pupils 16 to 18 years of age enrolled in Regional Occupational Centers and Programs, and the less than 2 percent estimated growth in high school enrollment, an increase of $3,864,000 will provide the support necessary to meet the needs of ROC/Ps in 1984–85 and, consistent with SB 813, allow these programs to receive additional funding for increasing the amount of instructional time provided to participating students.

I am reducing $1,400,000 of the $7,600,000 provided for minimum revenue guarantees. The remaining $6,200,000 is sufficient to fully fund the 100 percent minimum revenue guarantee provided by Provision 13 of this item. Because of the special circumstances of those K–12 school districts that would receive the minimum revenue

guarantee in 1984–85, I am retaining full funding for the continuation of this adjustment during the budget year. This provides one additional year for these school districts to adjust to the policies established by SB 813, which phased out this revenue adjustment. I will not support the continuation of a 100 percent minimum revenue guarantee beyond the 1984–85 fiscal year.

Despite these reductions, my budget provides a $1 billion increase in 1984–85 general-purpose funds, including funds budgeted in Item 6100-226-001, for K–12 school districts. This represents a 12.3 percent increase above the 1983–84 expenditure level and a 22.9 percent increase above the 1982–83 expenditure level.

Item 6100-109-001—For local assistance, Department of Education-Tenth Grade Counseling. I reduce this item from $6,724,000 to $6,600,000.

I am eliminating the $124,000 augmentation to fund the California Career Center. The Services provided by the center are available through the staff development program funded in Item 6100-191-001. I am also deleting the language in Provision 2 because the corresponding appropriation has been eliminated.

The remaining budget provides over $6 million in new resources for tenth grade counseling emphasis.

Item 6100-161-001—For local assistance, Department of Education. I reduce this item from $801,217,000 to $693,217,000. I delete the language in Provision 4 and Provisions 6 through 10.

I am eliminating the following:

$12,000,000 legislative augmentation to expand the infant program. Under current law, only those infant programs which operated in 1980–81 and received State or Federal aid are mandated to continue. My budget fully funds those mandated programs.

$24,300,000 legislative augmentation for restoration of instructional aides. This is consistent with the intent of Chapter 1094, Statutes of 1981 (SB 769), which limited the entitlements for instructional aides.

$5,200,000 legislative augmentation for leveling up of support services ratios. This is consistent with the intent of Chapter 1094, Statutes of 1981 (SB 769), which reduced support services ratios.

$33,000,000 legislative augmentation for low incidence disability funding. Funds are currently provided for these services within the special education entitlement. This is consistent with the Master Plan for Special Education.

$33,500,000 legislative augmentation for the buy-out of the local general fund contribution. Any reduction to the local general fund contribution would not result in additional money for special education but would constitute an increase to general purpose apportionments and, therefore, a windfall gain to districts receiving the buy-out funds.

Despite these reductions in augmentations my expenditure plan will provide a total of $1.3 billion for the Special Education Program. Included in this total is $10 million for the first growth in the program

since 1981–82 and $39.4 million to fully fund the 1983–84 special education entitlements, currently included in the deficiency bill. Of that amount, $25.2 million is for special transportation.

To conform to the action above, I am eliminating the language in Provisions 4, 6, 7, 8, 9, and 10.

Item 6100-181-001—For local assistance, Educational Technology. I reduce this item from $30,250,000 to $15,250,000.

I am reducing $15,000,000 of the $23,578,000 augmentation for increased funding of the Computer Education Act of 1983. The $15 million remaining, which is an $8.6 million increase over my January 10 budget, will provide for the acquisition of hardware and software for almost 10 percent of the State's classrooms to provide the background skills necessary for employment in an increasingly technological society and for state-of-the-art instructional tools. SB 813 provided $500,000 for the program for 1983–84. It is my intention that teacher training in educational technology be provided by means of the funding resources contained in the staff development program.

Item 6100-191-001—For local assistance, Department of Education. I reduce this item from $69,329,000 to $66,329,000 by eliminating:

(i) Summer School Teacher Training ($3,000,000).

I am eliminating the $3 million augmentation for Summer School Teacher Training. Despite this veto, my budget contains an increase of $5.5 million for general staff development provided by the Teacher Education and Computer Centers. This represents an 88 percent increase above the level provided in 1983–84. In addition, programs established by SB 813, such as the Mentor Teacher Program and Teacher Instructional Improvement Grants, which I have funded, add another $47.9 million for expansion of the staff development program.

Item 6100-192-001—For local assistance, Mathematics, Engineering, and Science Achievement (MESA). I reduce this item from $1,751,000 to $1,391,000.

I am reducing this item by $360,000 because an adjustment to reflect inflation impact for prior years is unwarranted. I am retaining an augmentation of $40,000 for the Mathematics, Engineering, and Science Achievement (MESA) program to provide the same discretionary inflation adjustment being provided to other such categorical programs.

Item 6100-196-001—For local assistance, Department of Education. I reduce this item from $265,209,000 to $263,459,000 by reducing:

(a) 30.10.010-Preschool from $32,661,000 to $32,161,000, and

(b) 30.10.020-Child Care Services from $239,268,000 to $238,268,000.

and by eliminating

(d) Child Care Quality Development ($250,000).

While I support the need for child care services, I am eliminating the $500,000 legislative augmentation for Preschool Child Care and

the $1,000,000 increase in child care services because the experience of past years indicates that there will be an amount, in excess of the $1,500,000 augmentation, in unclaimed child care funds in the 1983–84 fiscal year which will be available in the 1984–85 fiscal year for these purposes.

I am also eliminating $250,000 for Child Care Quality Development because this project duplicates the responsibility of the Department of Social Services to develop standards for licensed child care facilities and the review of those facilities.

I am also deleting the language in Provisions 13, 14, and 15 because the corresponding appropriations have been reduced or eliminated.

The remaining budget of more than $263 million, combined with administrative program changes, should provide the additional resources to meet increased demand for child care services.

Item 6100-221-001—For local assistance, Department of Education, California State Library. I reduce this item from $27,900,000 to $12,000,000.

I am reducing this item by $15,900,000 to the level originally proposed in the Budget. I believe that the remaining amount of $12,000,000, which is twice the current level of State support, allows for reasonable growth in the second year of the Public Library Foundation Program.

Item 6100-226-001—For local assistance, State Department of Education. I reduce this item from $671,529,000 to $642,634,000 by reducing:

(a) (2.) Small School District Transportation Aid from $1,096,000 to $557,000,

(a) (6.) Transportation from $15,598,000 to $8,060,000,

(a) (8.) Regional Occupational Centers and Programs from $10,206,000 to $9,978,000,

(c) American Indian Education Centers from $47,000 to $24,000,

(d) Native American Indian Education from $20,000 to $10,000,

(e) Economic Impact Aid from $10,740,000 to $5,461,000,

(i) Curriculum Services—Educational Technology Program from $69,000 to $35,000,

(m) Foster Youth Services from $45,000 to $23,000,

(n) School Improvement Program from $10,176,000 to $5,174,000,

(o) Staff Development from $639,000 to $325,000,

(p) Preschool Education from $1,898,000 to $965,000,

(q) Child Care Services from $13,647,000 to $6,939,000,

(s) Urban Impact Aid from $3,626,000 to $1,844,000,

(t) Meade Aid from $569,000 to $289,000, and

(u) Statewide Library Support from $413,000 to $210,000.

I am reducing the cost-of-living adjustment for K–12 education programs by $28,667,000 to reflect a 5.9 percent COLA for all programs with statutory cost-of-living adjustments, Apprentice Programs, Regional Occupational Centers and Programs, Adults in Correctional Facilities, the Miller-Unruh Reading Program, and

Demonstration Programs in Reading and Math. Additionally, my budget provides a 3 percent COLA for all other programs.

I am also reducing this item by $228,000 to conform to the reduction of funding for Regional Occupational Centers and Programs ADA growth made to Item 6100-101-001.

Although I am reducing $29 million from the COLA augmentation, my budget provides a 5.9 percent COLA for programs with statutory COLAs. My budget also provides a 5.9 percent COLA for programs with a substantial portion of costs tied to salaries and benefits of school employees and a 3 percent COLA for other discretionary programs. These increases, which amount to $300 million, are in addition to the $900 million I provided in my budget to implement the second-year costs of SB 813. Additionally, through this budget, I will have provided an average 19.7 percent increase in State funding per pupil in California, which amounts to $3 billion in increased funding, for the two-year period that I have been in office.

Item 6360-001-001—For support of Commission on Teacher Credentialing. I eliminate this item.

I am eliminating the General Fund appropriation of $877,000 for professional standards and development of bilingual exams in the Commission on Teacher Credentialing. The Teacher Credentials Fund was established to support all activities of the Commission on Teacher Credentialing. These activities can be funded through existing Teacher Credentials Fund revenue sources and do not require a General Fund appropriation.

Item 6440-001-001—For support of University of California. I reduce this item from $1,249,985,000 to $1,247,134,000 by reducing:

(a) Support from $1,243,375,000 to $1,240,824,000, and

(d) Center for Global Peace from $500,000 to $200,000.

I am eliminating legislative augmentations of $2,000,000 and 92 positions for janitorial services and $526,000 and 16 positions for the Lawrence Hall of Science at Berkeley. The University will retain 1,295 janitorial positions and maintain a $6,000,000 program at the Lawrence Hall of Science. I am also eliminating the legislative augmentation of $25,000 for Asian studies. These programs are funded adequately from existing General Funds and University sources. The Regents have an established method of requesting support for University activities. These requests have not received internal University review or the assessment of priority within the University's programs.

In addition, I am reducing $300,000 from the legislative augmentation of $500,000 for the Center for Global Peace. This increase of $200,000 when added to the current University Budget of $500,000 will provide a 40 percent increase for this program.

In addition, I am eliminating the language which provides for a contingency appropriation of $64.8 million for the University of California Retirement System for 1984–85. I clearly support full funding of the retirement system and provided the necessary funds

in the budget proposal, but this alternative proposed by the Legislature is an unacceptable method of providing the necessary funds. The funds are not available to the Retirement System in 1984–85 and may not be available in 1985–86 under the contingent language. Therefore, I am setting aside in a separate reserve sufficient funds to finance a non-contingent appropriation for the University of California Retirement System to assure the system the funds necessary to maintain its acturial soundness. I will support legislation which would appropriate these funds to the UCRS for 1984–85.

Item 6440-016-001—For support of University of California. I eliminate this item.

Salary inequity adjustments should be resolved through the collective bargaining process. I have provided funds for up to a 10 percent compensation increase with the intent that, subject to collective bargaining negotiations, these funds be used for all salary and benefit increases including salary inequity adjustments.

Item 6600-001-001—For support of Hastings College of the Law.

I am eliminating language Provision 2 which provides for a contingency appropriation of $453,000 for the University of California Retirement System (UCRS) for 1984–85. I clearly support full funding of the retirement system and provided the necessary funds in the budget proposal but this alternative proposed by the Legislature is an unacceptable method of providing the necessary funds.

The funds are not available to the Retirement System in 1984–85 and may not be available in 1985–86 under the contingent language. Therefore, I am setting aside in a separate reserve sufficient funds to finance a noncontingent appropriation for the University of California Retirement System to assure the system the funds necessary to maintain its actuarial soundness. I will support legislation which would appropriate these funds to the UCRS for 1984–85.

Item 6600-016-001—For support of Hastings College of the Law. I eliminate this item.

Salary inequity adjustments should be resolved through the collective bargaining process. I have provided funds for up to a 10 percent compensation increase with the intent that, subject to collective bargaining negotiations, these funds be used for all salary and benefit increases including salary inequity adjustments.

Item 6610-001-001—For support of California State University. I reduce this item from $1,016,201,000 to $1,015,808,000 by reducing:

(a) Instruction from $725,280,000 to $725,180,000,

(c) Academic Support from $140,778,000 to $140,505,000, and

(e) Institutional Support from $279,651,000 to $279,631,000.

I am reducing the $100,000 legislative augmentation for a study of successful teaching practices and a program of partnerships between high schools and colleges/universities to promote achievement of

linguistic minorities. A number of successful studies have already been conducted and I question the need for an additional study. The Governor's Budget includes over $450 million for compensatory education in K-12 and academic improvement programs in the postsecondary education segment to address the problem. An alternative approach to adding more money may be to evaluate the existing expenditure of funds and make appropriate modifications to current statutes and programs.

I am reducing legislative augmentations in Academic Support by $273,000. This reduction includes $163,000 and 1.4 positions for a Survey Research Center at the Chico campus. This augmentation shifts to CSU a previously legislative-funded activity of unknown priority within the scope of CSU's programs. Also included in the reduction is $110,000 and 2 positions for an additional Labor Archive at the San Francisco campus. I am leaving in one position and $65,000, the same State funding as included in CSU's budget for the Southern California Labor Archive. I am accordingly reducing the $175,000 cited in Provision 10 to $65,000.

I am reducing the $20,000 legislative augmentation to Institutional Support for a youth leadership conference which should be funded by the sponsoring organizations.

Item 6610-011-001—For support of California State University. I reduce this item from $13,441,000 to $12,332,000.

I am reducing $1,109,000 from this item since it represents funds in excess of the level CSU needs for its State University Fee grant program, based upon recent re-estimates by CSU. I am also deleting the corresponding language (Provision 2) directing the use of the $1.1 million excess funds and the language reappropriating current year savings for financial aid related to other mandatory fees, approximately $1.3 million (Provision 3). The CSU General Fund appropriations include over $31 million for financial aid and fee reductions. Coupled with other State and Federal aid, the budget makes a reasonable attempt to address student financial aid needs. Further, the vetoed $1.3 million reappropriation in Provision 3 will be reappropriated by Item 6610-490 for critically needed replacement of instructional equipment, deferred maintenance and special repair projects.

Item 6610-021-001—For support of California State University. I reduce this item from $22,722,000 to $22,422,000 by reducing:

(b) Institutional Support from $10,672,000 to $10,372,000.

I am reducing this item by $300,000 because this amount exceeds CSU's request. The balance of the $10,372,000 in the budget provides sufficient funding for CSU's deferred maintenance priority projects.

Item 6610-031-001—For support of California State University. I reduce this item from $111,261,000 to $101,861,000 by reducing:

(10) Unallocated Salary Increase from $111,261,000 to $101,861,000.

I am reducing the legislative augmentation of $11,300,000 for

faculty compensation and benefits by $9,400,000. I am correspondingly reducing the $11,300,000 in Provision 5 to $1,900,000. The remaining $101,861,000 provides for up to a 10 percent general compensation package plus a special 1 percent January 1, 1985 faculty salary adjustment. This amount should permit CSU to begin to address its hard-to-hire problems.

Item 6610-033-001—For support of California State University. I eliminate this item.

Salary inequity adjustments should be resolved through the collective bargaining process. I have provided funds for up to a 10 percent general compensation package, plus a special 1 percent January 1, 1985 faculty salary adjustment, with the intent that, subject to collective bargaining negotiations, these funds be used for all salary and benefit increases.

Item 6610-301-146—For capital outlay, Trustees of California State University. I reduce this item from $25,996,000 to $25,264,000, by reducing:

(7) Moss Landing Marine Lab—equipment, from $244,000 to $185,000,

(12) Humboldt State—for equipment, engineering building, from $217,000 to $175,000,

and by eliminating

(32) Polytechnic University, Pomona—Music and Faculty Office Building ($174,000),

(33) Stanislaus—Library Addition II ($89,000),

(34) Los Angeles—Remodel Fine Arts Building ($123,000),

(36) Humboldt State—Business and support services building ($95,000), and

(41) Northridge—Science Building addition ($150,000).

I am reducing this item by a total of $732,000. The equipment requests for categories (7) and (12) are being reduced to reflect the initial complement for laboratories; the balance of equipment required should be funded from support funds. The projects I am deleting were not included in the budget request for the California State University. They are not priority projects for 1984–85 and would require future year funding of $26.9 million. I am therefore deferring these new starts in order to avoid over-commitment of capital outlay construction funds in 1985–86. This deferral will not have a detrimental effect on state educational programs.

Item 6860-001-001—For support of California Maritime Academy. I reduce this item from $4,929,000 to $4,874,000 by reducing:

(a) Personal Services from $4,319,797 to $4,264,000, and

(b) Operating Expenses and Equipment from $3,174,203 to $3,168,000.

I am reducing this item by $55,000 and two personnel years. The affirmative action/outreach effort proposed by the Legislature can be accomplished with the $90,000 and two personnel years left in the item for this purpose.

If needed, additional resources could be redirected from the Academy's nine position Counseling and Guidance Unit.

Item 6870-101-001—For local assistance, Board of Governors of the California Community Colleges. I reduce this item from $1,136,210,000 to $1,092,739,000 by reducing:

(a) 10-Apportionments from $1,074,989,000 to $1,035,689,000,

(b) 20.10.010—Community College Extended Opportunity Programs and Services from $27,836,000 to $25,663,000,

(c) 20.10.020—Disabled Students from $24,459,000 to $22,534,000,

(d) 20.20.020—Partial Financing of the Academic Senate for the Community Colleges from $76,000 to $70,000, and

(e) 20.30.020—Instructional Improvement, for Transfer to the Community College Fund for Instructional Improvement from $850,000 to $783,000.

This reduction of $43,471,000 consists of:

A reduction of $39,300,000 for apportionments. Even with this reduction, community colleges will receive a 10 percent program increase for all funds over 1983–84 funding. This level of funding will provide the colleges sufficient resources to restore course offerings eliminated in 1983–84 and is consistent with the funding requirements called for in AB 1xx.

A reduction of $4,171,000 added by the Legislature for 1983–84 and 1984–85 cost-of-living adjustments. I do not believe it is appropriate to fund a cost-of-living adjustment for 1983–84 during 1984–85. I am providing a 3 percent cost-of-living adjustment for 1984–85 which will give these programs $49 million for operation costs.

Item 6870-101-909—For local assistance, Board of Governors of the California Community Colleges. I reduce this item from $1,034,000 to $967,000.

This action conforms to the reduction made in Item 6870-101-001 to (e) Instructional Improvement.

It reflects a reduction of $67,000 provided by the Legislature for 1983–84 and 1984–85 cost-of-living adjustments. The 3 percent cost-of-living adjustment provided by my budget will provide $967,000 for the Instructional Improvement program.

I am also adjusting the language in this item so that up to $783,000 is available for allocation for grants. The remaining amount in this appropriation is for Instructional Improvement loans to community colleges.

Item 6870-111-001—For local assistance, Board of Governors of the Community Colleges. I reduce this item from $14,333,000 to $2,150,000 by reducing:

(b) 20.10.010—Extended Opportunity Programs and Services from $2,100,000 to $1,050,000, and

(c) 20.10.020—Disabled Students from $2,200,000 to $1,100,000, and by eliminating

(a) 10—Apportionments ($33,000), and

(d) 20.10.040—Community College Matriculation ($10,000,000).

I am eliminating the $33,000 requested for the Mendocino-Lake Community College District timber falling program because I believe it is inappropriate to fund individual instructional programs that are a district's priority.

I am eliminating the $10 million provided to fund AB 2638 because funding for legislation should properly be contained in the bill. I am in general support of the concept of matriculation and would be willing to consider legislation to implement these services that will help ensure student success in the community colleges.

The remaining reduction of $2,150,000 consists of:

A reduction of $1,050,000 for the EOPS Program. Information suggests that there are a number of students attending community colleges who would benefit from the services provided by the EOPS Program who are currently not being served. The funds provided here, along with the $25.7 million in Item 6870-101-001 which includes a 3 percent cost-of-living adjustment, will provide the EOPS Program an 8.2 percent increase over 1983–84. This should provide the necessary funding to assist a greater number of students in meeting their educational goals. I will ask the Chancellor to provide evaluation data so that we may assess the effectiveness of this program in light of recently modified program regulations.

A reduction of $1,100,000 for Disabled Students Program. The increased funding provided here, along with the $22.5 million in Item 6870-101-001 which includes a 3 percent cost-of-living adjustment, will provide the Disabled Students Program an 8.0 percent program increase over 1983–84. This should allow for program expansion so that additional students may be provided services.

Item 8100-001-001—For support of Office of Criminal Justice Planning. I reduce this item from $2,349,000 to $2,259,000 by reducing:

(b) Operating Expenses and Equipment from $1,551,000 to $1,461,000.

I am reducing $90,000 from this item for the three neighborhood watch training conferences. This program expansion is being proposed in AB 3917. Funding for the program should be contained in the bill.

Item 8100-101-001—For local assistance, Office of Criminal Justice Planning. I reduce this item from $10,575,000 to $10,425,000 by reducing:

(c) California Community Crime Resistance Program from $1,303,000 to $1,153,000.

I am reducing this item by $150,000 for the Volunteer Anti-Crime Patrol Project. I believe that the current grant award process allows for appropriate consideration of projects such as this and adequate resources are available in the California Community Crime Resistance Program. I am also directing the Office of Criminal Justice Planning to work with local projects to develop proposals that would meet the criteria for funding under this program.

Item 8140-001-001—For support of Office of State Public Defender. I reduce this item from $8,025,000 to $5,025,000.

I am reducing $3,000,000 and 74 positions from this item to reflect my intent that the office handle only the most complex and sensitive cases. The remaining cases will be handled by court appointed counsel through the judiciary. I believe it is in the State's best interest to maximize a prudent balance between cases handled by the State Public Defender and cases handled by private counsel without compromising the State's responsibility to provide effective representation for indigent appellants. The judiciary's budget has been augmented to handle an increased number of cases. I am retaining $210,000 and three positions in this item to allow appointment of regional office chiefs and provide funding for a pilot automation system to improve data collection and facilitiate program evaluation.

Item 8160-111-001—For local assistance, Assistance to Counties for Defense of Indigents. I reduce this item from $4,775,000 to $4,000,000 by eliminating:

(a) Public Defender Assistance ($775,000).

I am vetoing these funds for Public Defender Assistance. Funds for this activity should be considered in the broad context of total fiscal relief provided for counties. Legislation now pending is designed to address overall local fiscal needs. This subvention represents less than one percent of the amount annually expended by county public defenders.

Item 8220-001-001—For support of Motion Picture Council. I reduce this item from $140,000 to $40,000 by reducing:

(a) Operating Expense and Equipment from $90,000 to $40,000, and by eliminating

(b) Unallocated Increase $50,000,

and the following provisions:

1. The amount appropriated by Schedule (b) shall be available for expenditure only if insufficient revenues are collected by the Motion Picture Council to fully fund Item 8220-001-942 and the Director of Finance determines that this amount is necessary for the Motion Picture Council to properly carry out its activity.

3. Of the amount appropriated by this item, $50,000 shall be available for the purpose of conducting a study of the motion picture industry.

I am eliminating the $100,000 augmentation which was to provide funding for the study of the Motion Picture Industry and the contingency fund because this should more appropriately be funded by resources other than the General Fund.

I have retained the funds for consultant services for the purpose of locating and cataloguing materials and memorabilia for a State motion picture museum.

Provisions 1 and 3. I am eliminating these provisions to correspond to the above reduction in the appropriation.

Item 8260-001-001—For support of California Arts Council. I reduce this item from $2,257,000 to $2,243,000 by reducing:

(b) Operating Expenses and Equipment from $623,000 to $609,000.

I am eliminating funds transferred from personal services to operating expenses and equipment by the Legislature to pay rent for the Los Angeles office. In its present location, the office is rent-free, and there appears to be no reason to move it to another location which would necessitate an increase in government expenditures.

Item 8260-101-001—For local assistance, California Arts Council. I reduce this item from $9,570,000 to $8,070,000 and eliminate the following provisions:

2. Of the funds appropriated by this item in excess of $6,570,000, 24 percent shall be allocated to the Artists in Residence Program and 76 percent shall be allocated to the Organizational Grants Program.

3. The council shall notify the Chairperson of the Joint Legislative Budget Committee regarding the council's proposed expenditure of funds appropriated by this item for the Interagency Arts Program at least 30 days prior to expenditure therefor.

4. Of the funds appropriated by this item, 5 percent shall be expended for a new program for the support of ethnic and minority art organizations and artists. The Council shall not exclude such organizations and artists from eligibility for grants under existing programs.

I am reducing this item by $1,500,000, and directing that the remaining $1,500,000 of the augmentation go to increase the grants program. In total, this would mean that $8,070,000, which represents an increase of 38 percent over the 1983–84 fiscal year, is available from the General Fund for grants.

In addition, I am eliminating Provision 2 to correspond to the above reduction in the appropriation. The provision was intended to apply solely to the augmentation of $3 million which has been reduced to $1,500,000.

I am eliminating Provision 3 because it appears to be unnecessary. The Council's plans for the expenditure of funds in the Interagency Arts program had not been finalized at the time the budget was discussed before the fiscal subcommittees in each house. However, these plans have been made by the Council since that time.

I am eliminating Provision 4 because it appears to be premature. Supplemental language directs the Council to identify the ethnic and geographical distributions of its applicants, panels, and grants, to identify problems, and to propose solutions. This study is especially relevant since the Council has recently changed its eligibility requirements for grant applicants, reducing the length of time an organization has to be in existence from three years to two years. This may increase the number of minority organizations receiving funding under current policies.

Item 8290-001-001—For support of California Public Broadcasting

Commission. I eliminate this item.

In the Budget Act of 1983, I eliminated funding for the Public Broadcasting Commission. At that time, I indicated that public broadcasting stations should seek additional funding from their principal traditional supporters. I continue to feel that it more appropriate for public broadcasting support to come from viewers, foundations and other private sources.

Item 8300-001-001—For support of Agricultural Labor Relations Board. I reduce this item from $8,606,000 to $7,515,000 by reducing:

(a) 10—Board Administration from $4,649,000 to $3,558,000.

and by eliminating the following provisions:

1. The board shall establish a special compliance enforcement unit under the direction of the Executive Secretary. The unit shall consist of eight field examiners, six attorneys, and two clericals and these 16 positions shall be in addition to the positions authorized in the 1984–85 budget as proposed. The compliance enforcement unit shall be charged with eliminating backlogged compliance cases and shall report on its progress to the Joint Legislative Budget Committee by January 30, 1985, and June 30, 1985.

2. The board shall establish a unit consisting of one attorney and one field examiner, under the direction of the Executive Secretary, which shall (a) develop and complete a compliance manual, (b) establish workload standards, and (c) implement a computerized tracking system for all compliance, unfair labor practices, and elections cases before the board. These two positions shall be in addition to the positions authorized in the 1984–85 budget as proposed. The board shall report on the unit's progress to the Joint Legislative Budget Committee by January 1, 1985.

3. The board shall assign one additional attorney to each board member who has only one attorney. These positions shall be in addition to the positions authorized in the 1984–85 budget as proposed.

4. The board shall assign two additional attorneys to the Executive Secretary to handle elections objections. These two positions shall be in addition to the positions authorized in the 1984–85 budget as proposed.

5. The board shall assign two additional attorneys to the Solicitor to handle appeals. These two positions shall be in addition to the positions authorized in the 1984–85 budget as proposed.

This reduction includes $1,091,000 and 24 additional positions because workload information has not been provided to support funding for the expanded level of staffing. The 1983–84 Veto Message requested the board to modify policies and procedures and develop new efficiencies. The board has not implemented this request. In addition, Provisions 1 through 5 are eliminated because the augmentation is reduced in its entirety.

Item 8350-001-001—For support of Department of Industrial Relations. I reduce this item from $86,832,000 to $83,418,000 by

reducing:

(c) 30—Preventing, Disputes Under Workers' Compensation Law from $39,594,000 to $38,394,000,

(d) 40—Prevention of Industrial Injuries and Deaths to California Workers from $16,096,000 to $15,298,000,

(e) 50—Enforcement of Laws Relating to Wages, Houfs, and conditions of Employment from $18,849,000 to $17,433,000, and

and by eliminating the following provisions:

1. Of the funds appropriated by category (c), $1,000,000 shall be expended on a priority basis by filling all vacant referee teams in Long Beach, Ventura, and Los Angeles, and by adding a referee team in Salinas before these funds are expended for other referee teams.

3. Of the positions authorized in category (d) and allocated to the Elevator Inspection Unit, two Associate Safety Engineer positions, one Office Services Supervisor I position, and one Office Technician position shall be limited to a term of two years.

5. Of the amount that is appropriate in Schedule (e), program 50, $235,000 shall be used to provide computer equipment in each district office of the Division of Labor Standards Enforcement for purposes of automating the division's management information system.

I am reducing the Department of Industrial Relations Budget by $3,414,000 to eliminate certain augmentations made to the Governor's Budget as amended by Department of Finance letter. This includes $1,200,000 in the Division of Industrial Accidents, $798,000 in the Division of Occupational Safety and Health, and $1,416,000 in the Division of Labor Standards Enforcement. The reduction is composed of, first, 59.5 positions and $2,089,000 which was reduced in 1983–84 and subsequently restored by the Legislature. However, all indications are that the current level of authorized staffing in the department is adequate to meet projected workload. Second, I have reduced $1,200,000 from the augmentation to lower salary savings in the department, leaving $438,000 to reduce Cal-OSHA salary savings from 10.3 percent to 5.4 percent. This augmentation will reduce salary savings from 6.2 percent to 5.3 percent in the department as a whole. Third, I have reduced 5 positions and $125,000 added to fund AB 3097. This appropriation is more properly made through the bill itself, rather than through the budget act. These reductions will not reduce field enforcement in the area of worker safety and health or in the area of labor standards field enforcement.

Even with these reductions the 1984–85 budget for the department represents a General Fund increase of 18.5 percent over the 1983–84 budget.

I am eliminating provision 1 to correspond to the reduction made above in the Division of Industrial Accidents. The average workload in the locations specified in provision 1 is no greater than that found in other offices. I am not eliminating Provision 2 which requires the

development of workload standards and the assignment of judges in a way consistent with those standards. This process will make staffing consistent with workload in all offices.

I am eliminating Provision 3 to correspond to the reduction made above in the Division of Occupational Safety and Health. This provision was added solely to apply to the Elevator Unit augmentation.

I am also eliminating Provision 5 to correspond to the reduction made above in the Division of Labor Standards Enforcement. The department is currently developing an automation plan which is scheduled to be completed this fall. It would be premature to specify what equipment should be purchased or how much should be spent on this effort prior to the completion of this plan.

Item 8350-001-890—For support of Department of Industrial Relations. I reduce this item from $18,428,000 to $17,769,000 by reducing:

(a) 40—Prevention of Industrial Injuries and Deaths to California Workers from $16,767,000 to $16,108,000.

I am reducing federal funds for the Department of Industrial Relations by $659,000 to correspond to General Fund reductions made in Item 8350-001-001. All of these federal funds are in the Division of Occupational Safety and Health. However, there is no reduction in field enforcement staff in this program. In addition, I have left $437,000 to match the General Fund augmentation reducing salary savings in Cal-OSHA.

Item 8570-001-001—For support of Department of Food and Agriculture. I reduce this item from $43,739,000 to $43,064,000 by reducing:

(a) 10—Pesticide Regulatory Program from $8,053,000 to $7,735,000,

(b) 20—Plant Pest and Disease Prevention from $18,370,000 to $18,120,000,

(d) 30—Agricultural Marketing Services from $3,636,000 to $3,586,000, and

(k) 80—General Agriculture Activities and Emergency Funding from $180,000 to $123,000,

and by eliminating the following provision:

2. Of the amount appropriated in category (b), up to $50,000 shall be available to support expenditures related to the predator program trapping activities in Sonoma County.

I am reducing the Department of Food and Agriculture's Budget by $675,000 to eliminate certain augmentations made to the Governor's Budget as amended by a Department of Finance Letter. This reduction includes $268,000 for the study of airborne toxic contaminants, $50,000 for the Pesticide Use Enforcement Program, $100,000 for Cherry Disease, $100,000 for Blackline Walnut Disease, $50,000 for the Predator Control Program, $50,000 for a Certified Farmer's Market Study, and $57,000 for the administration of the

Ethanol Loan Program.

Support for these programs should be funded from resources other than the General Fund.

I have retained $1,160,000 for the Agricultural Energy and Technology Project and the purchase of four gas chromatographs.

I am eliminating Provision 2 because there is no justification to support the expenditure of $50,000 of General Funds for predator program trapping activities in Sonoma County.

Item 8570-011-112—For support of Department of Food and Agriculture. I eliminate this item, and the following provision:

1. The funds appropriated in this item shall be available to support the costs related to AB 2635 of the 1983–84 Regular Session of the Legislature, if AB 2635 is enacted.

This deletion includes $550,000 for pesticide alternative research and $500,000 for Exotic Pest Research. There is legislation regarding these programs (AB 2635) and the funding should be contained in the bill.

I am eliminating Provision 1 to conform to the action above.

Item 8660-001-412—For support of Public Utilities Commission. I reduce this item from $12,791,000 to $12,760,000 by reducing:

(a) Personal Services from $35,538,369 to $35,468,369,

(b) Operating Expenses and Equipment from $13,567,631 to $13,547,631,

(h) Amount Payable From the Public Utilities Commission Transportation Reimbursement Account From −$2,871,000 to −$2,863,000, and

(i) Amount Payable from the Public Utilities Commission Utilities Reimbursement Account from −$26,357,000 to −$26,306,000.

I am reducing this item by $31,000 and 1.4 personnel years, eliminating Provision 4, and reducing the scheduled expenditures that flow through this item by $59,000 to eliminate funding for AB 3391 which is pending before the Legislature. If the Legislature passes AB 3391, it should provide funding within the bill.

Item 8660-001-461—For support of Public Utilities Commission. I reduce this unscheduled item from $2,871,000 to $2,863,000.

I am reducing this item by $8,000 to eliminate funding for AB 3391 which is pending before the Legislature. If the Legislature passes AB 3391, it should provide funding within the bill. This action conforms to my action in Item 8660-001-412.

Item 8660-001-462—For support of Public Utilities Commission. I reduce this unscheduled item from $26,357,000 to $26,306,000.

I am reducing this item by $51,000 to eliminate funding for AB 3391 which is pending before the Legislature. If the Legislature passes AB 3391, it should provide funding within the bill. This action conforms to my action in Item 8660-001-412.

Item 8780-001-001—For support of Commission on California State Government Organization and Economy. I reduce this item from $635,500 to $342,000.

Finance staff has not had an opportunity to evaluate the effectiveness of the proposed studies which would be funded by these monies. We will review these programs during the 1985–86 budget preparation. Staff is aware that two areas the Commission has been requested to study have been studied extensively by various organizations in the past.

Item 8820-001-001—For support of Commission on the Status of Women. I reduce this item from $605,900 to $593,900 by reducing:

(b) Operating Expenses and Equipment from $236,800 to $224,800, and

(2) Comparable Worth Task Force from $79,900 to $67,900.

This reduction includes the $12,000 augmentation by the Legislature for the Comparable Worth Task Force. The budget contains $68,000 to support the work of the task force. This is the amount requested by the task force.

Item 8910-001-001—For support of the Office of Administrative Law. I am eliminating Provision 3 from this item.

I am eliminating budget act language that prohibits payment of the Director's salary because it is an infringement on the separation of powers in that it usurps executive branch authority to effectively administer this office. Furthermore, the language is inappropriately punitive and does not provide adequate relief for justifiable, unforeseen delays in the regulatory process.

Item 8940-001-807—For support of the Military Department. I eliminate this item. I am eliminating this item because it unnecessarily creates a special contingency fund for emergency missions. Funding should continue to be provided at the end of each fiscal year based on specific needs.

Item 8940-021-001—For support of Military Department. I eliminate this item.

I am eliminating this item because it unnecessarily creates a special contingency fund for emergency missions.

Item 9800-001-001—For support of Employee Compensation. I reduce this item from $253,428,000 to $220,331,000 by eliminating:

(b) Comparable worth ($27,097,000), and

(c) Salary inequity increases ($6,000,000).

I am deleting these augmentations to the employee compensation item as I have provided funds for up to a ten percent salary and benefit increase which I believe sufficient to attract and retain competent and dedicated employees and to address salary inequities. For employees covered by collective bargaining, the distribution of these funds will be based upon negotiations between employee representatives and the State within the collection bargaining process.

Inequity adjustments, including adjustments for female dominated classes, are a subject of current negotiations. Under present law no such adjustments may be made without the agreement of employee unions.

I am also eliminating Provisions 4 and 5, of this item, relating to comparable worth and salary inequity adjustments. The criteria set forth in this language, which restricts the use of funds for the subject purposes, are also negotiable.

Item 9800-001-494—For support of Employee Compensation. I reduce this item from $141,686,000 to $122,471,000 by eliminating:

(b)—Comparable worth ($16,000,000), and

(c)—Salary inequities increases ($3,215,000).

This $19,215,000 augmentation of various special funds for comparable worth and salary inequity adjustments is reduced for the same reasons stated in my action on Item 9800-001-001.

Accordingly, I am also eliminating Budget Act Language Provisions 4 and 5, of this item, relating to comparable worth and salary inequity adjustments.

Item 9800-001-988—For support of Employee Compensation. I reduce this item from $118,099,000 to $102,083,000 by eliminating:

(b)—Comparable worth ($14,000,000), and

(c)—Salary inequity increases ($2,016,000).

This $16,016,000 augmentation of nongovernmental funds for comparable worth and salary inequity adjustments is reduced for the same reasons stated in my action on Item 9800-001-001.

Accordingly, I am also eliminating Budget Act Language Provisions 4 and 5, of this item, relating to comparable worth and salary inequity adjustments.

SEC. 11.15—I eliminate this section.

I recognize the need to provide additional resources for the construction of new school facilities. However, I cannot support the contingent appropriation of budgetary reserves and savings as authorized by this section. This action precludes utilizing these reserves for unforseen contingencies and emergencies. In addition, I feel that this section begins allocating future resources too far in advance. I believe that revenue derived from the sale of bonds is a more appropriate source of funds for this purpose. Therefore, I will be working with the Legislature to see that a school construction bond measure of an appropriate amount is placed before the electorate in November to address the needs for new school construction funds.

SEC. 11.50

I eliminate general control subsections as follows:

SEC. 11.50. ~~(a) Notwithstanding any other provisions of law, on the effective date of this act, the unappropriated balances in the Energy and Resources Fund, and the Energy and Resources Accounts in the Energy and Resources Fund shall be transferred to the General Fund.~~

(b) For the 1984–85 fiscal year, in lieu of the allocations which would otherwise be made pursuant to subdivision (e) of Section 6217 of the Public Resources Code ~~and the subdivisions following~~, the following allocations shall be made ~~in the following order~~:

(1) To the Capital Outlay Fund for Public Higher Education the amount of ~~$105,700,000~~ *$104,968,000*.

(2) Up to 5 percent of the amounts deposited in the State School Building Lease-Purchase Fund may be spent in accordance with Sections 17785 to 17795, inclusive, of the Education Code (Emergency School Classroom Law of 1979, Ch. 282, Stats. 1979).

~~(3) To the Special Account for Capital Outlay, the amount of $103,938,000.~~

~~(4) An amount of up to $24,674,000 shall be deposited in the unappropriated surplus of the General Fund. This transfer shall be in lieu of any transfer pursuant to Section 6 of Chapter 904 of the Statutes of 1980.~~

I am eliminating the transfer of tidelands oil revenues to the General Fund. As a general principle, I do not favor diverting special funds to maintain the General Fund. I believe there is a need to provide additional resources for the construction of new school facilities, and I will support legislation to provide an additional $50 million in one-time funding from the tidelands oil revenues for the State School Building Lease Purchase Fund in 1984–85.

SEC. 27.00

I am eliminating part (b) of this section. I am eliminating budget act language that prohibits payment of directors' salaries because it is an infringement on the separation of powers in that it usurps executive branch authority to effectively administer State government. Furthermore, the language is inappropriately punitive.

With the above deletions and reductions, I hereby approve Assembly Bill No. 2313.

GEORGE DEUKMEJIAN, Governor
June 27,1984

SECTION 1.00 This act shall be known and may be cited as the "Budget Act of 1984."

SEC. 1.30. Section 13340 of the Government Code is amended to read:

13340. On and after July 1, 1985, no moneys in any fund which, by any statute other than a Budget Act, is continuously appropriated without regard to fiscal years, may be encumbered unless the Legislature, by statute, specifies that the moneys in the fund are appropriated for encumbrance.

SEC. 1.50. (a) In accordance with Section 13338 of the Government Code, as added by Chapter 1284, Statutes of 1978 (AB 3322), it is the intent of the Legislature that this act reflect, and follow as closely as possible, the Governor's Budget including programs itemized therein. It is also the intent of the Legislature that this act utilize a coding scheme compatible with the Governor's Budget and the records of the State Controller, and provide for the appropriation of federal funds received by the state and deposited in the State Treasury.

(b) Essentially, the format and style are as follows:

(1) Appropriation item numbers have a code which is common to

all the state's fiscal systems. The meaning of this common coded item number is as follows:

2720—Organization Code (this code represents the California Highway Patrol)

001—Reference Code (first appropriation for a particular fund for support of each department)

044—Fund Code (Motor Vehicle Account, State Transportation Fund)

(2) Appropriation items are organized in organization code order as reflected in the Governor's Budget.

(3) All the appropriation items, reappropriation items and reversion items, if any, for each department or entity have been brought together and are adjacent to one another.

(4) Federal funds received by the state and deposited in the State Treasury are appropriated in separate items.

(c) The Department of Finance may authorize revisions to the codes used in this act in order to provide compatibility between the codes used in this act and those used in the Governor's Budget and in the records of the State Controller.

(d) Notwithstanding any other provisions of this act, the Department of Finance may revise the schedule of any appropriation made in this act where such revision is of a technical nature and is consistent with legislative intent. Such revisions may include, but shall not be limited to, the substitution of category for program or program for category limitations, the proper categorization of allocated administration costs and cost recoveries, and the distribution of any unallocated amounts within an appropriation. Such revisions shall include a certification that the revisions comply with the intent and limitation of expenditures as appropriated by the Legislature.

SEC. 2.00. The following sums of money, or so much thereof as may be necessary unless otherwise provided herein, are hereby appropriated for the use and support of the State of California for the 1984–85 fiscal year beginning July 1, 1984, and ending June 30, 1985. Appropriations for capital outlay, unless otherwise provided herein, shall be available for expenditure during the 1984–85, 1985–86 and 1986–87 fiscal years, except that appropriations for studies, planning, and working drawings, and minor capital outlay shall, except as provided herein, be available for expenditure only during the 1984–85 fiscal year. In addition, every appropriation made in this act for construction, or working drawings and construction, that has not been allocated or transferred by the Director of Finance on or before June 30, 1985, shall, except as provided herein, revert as of that date to the fund from which the appropriation was made. All such appropriations, unless otherwise herein provided, shall be paid out of the General Fund in the State Treasury.

Whenever by constitutional or statutory provision the revenues or receipts of any institution, department, board, bureau, commission, officer, employee, or other agency, or any moneys in any special fund

created by law therefor, are to be used for salaries, support or any proper purpose, expenditures shall be made therefrom for any such purposes, to the extent only of the amount herein appropriated, unless otherwise stated herein, or authorized pursuant to Section 11006 of the Government Code.

Appropriations for purposes not otherwise provided for herein which have been heretofore made by any existing constitutional or statutory provision shall continue to be governed thereby.

LEGISLATIVE/JUDICIAL/EXECUTIVE

Legislative

Item		Amount
0110-001-001—For support of Senate		$56,838,000
Schedule:		
(a) 101001-Salaries of Senators	1,373,000	
(b) 317295-Mileage	2,000	
(c) 317292-Expenses	712,000	
(d) 500000-Contingent Expenses	54,447,000	
(e) 317296-Automotive Expenses	304,000	

Provisions:

1. The funds appropriated in Schedule (d) are for contingent expenses of the Senate, including personal services for officers, clerks and all other employees, and legislative committees thereof composed in whole or in part of Members of the Senate, and for support of joint services and joint house operations as provided in Part 2 (commencing with Section 10200) of Division 2 of Title 2 of the Government Code, to be transferred by the State Controller to the Senate Contingent Fund.

1.5. Funds appropriated by this item may be used for support of joint services and joint house operations provided for in Part 2 (commencing with Section 10200) of Division 2 of Title 2 of the Government Code for which an item is set forth in this act or which are funded under Item 0130-021-001, if they are transferred to the appropriate item either by resolution of the Senate Rules Committee or by resolution of the Senate.

2. The funds appropriated in Schedule (e) are for contingent expenses of the Senate relating to the lease, maintenance, repair, insurance, and other costs of operating automobiles for the use of Members of the Senate, to be transferred by the State Controller to the Senate Contingent Fund.

0120-011-001—For support of Assembly		74,885,000
Schedule:		
(a) 101001-Salaries of Assemblymen	2,730,000	
(b) 317295-Mileage	6,000	
(c) 317292-Expenses	1,424,000	
(d) 500000-Contingent Expenses	69,913,000	
(e) 317296-Automotive Expenses	812,000	

Item Amount

Provisions:

1. The funds appropriated in Schedule (d) are for contingent expenses of the Assembly including personal services for officers, clerks and all other employees, and legislative committees thereof composed in whole or in part of Members of the Assembly, and for support of joint services and joint house operations as provided in Part 2 (commencing with Section 10200) of Division 2 of Title 2 of the Government Code, to be transferred by the State Controller to the Assembly Contingent Fund.

1.5. Funds appropriated by this Item may be used for support of joint services and joint house operations provided for in Part 2 (commencing with Section 10200) of Division 2 of Title 2 of the Government Code for which an item is set forth in this act or which are funded under Item 0130-021-001, if they are transferred to the appropriate item either by resolution of the Assembly Rules Committee or by resolution of the Assembly.

2. The funds appropriated in Schedule (e) are for contingent expenses of the Assembly relating to the lease, maintenance, repair, insurance, and other costs of operating automobiles for the use of Members of the Assembly, to be transferred by the State Controller to the Assembly Contingent Fund.

0130-021-001—For support of joint expenses of the Legislature 0

Schedule:

(a) 317292-Expenses of Joint Committees	18,978,000
(b) 312241-Legislative Printing	7,697,000
(c) Revision of Penal Code	263,000
(d) Reimbursements	−26,938,000

Provisions:

1. The funds appropriated in category (a) are for the expenses of joint committees and their members and for any charges, expenses, or claims they may incur, available without regard to fiscal years, to be paid on certification of chairpersons of the committees to which allocations have been made by statute or concurrent resolution or by resolution of the Joint Rules Committee.

Item Amount

2. The funds appropriated in category (b) are for legislative printing, binding, duplicating, mailing and other necessary expenses; and in addition thereto, any amounts received from the sale of legislative publications and notwithstanding any other provision of Section 2 of this act, this appropriation shall be available without regard to fiscal years. Funds appropriated by this item shall not be expended for the purpose of providing the compilation of any California code or portion thereof in computer usable form, except as expressly authorized in writing by the Joint Rules Committee.
3. Funds shown in category (d) may be transferred from the Assembly Contingent Fund, by resolution of the Assembly or resolution of the Assembly Rules Committee, and the Senate Contingent Fund, by resolution of the Senate or resolution of the Senate Rules Committee.

0160-001-001—For support of Legislative Counsel Bureau 0

Schedule:

(a) Support 18,304,000
(b) Reimbursements ..... −18,304,000

Provisions:

1. The funds in category (b) are in addition to any other funds which may be made available and may be transferred from the Assembly Contingent Fund, by resolution of the Assembly or resolution of the Assembly Rules Committee, and the Senate Contingent Fund, by resolution of the Senate or resolution of the Senate Rules Committee.

0170-001-001—For support of California Law Revision Commission 0

Schedule:

(a) Support 450,000
(b) Reimbursements ..... −450,000

Provisions:

1. The funds in category (b) are in addition to any other funds which may be made available and may be transferred from the Assembly Contingent Fund, by resolution of the Assembly or resolution of the Assembly Rules Committee, and the Senate Contingent Fund, by resolution of the Senate or resolution of the Senate Rules Committee.

0180-001-001—For support of California Commission on Uniform State Laws 0

Item Amount

Schedule:

(a) Support 58,000

(b) Reimbursements ..... −58,000

Provisions:

1. The funds in category (b) are in addition to any other funds which may be made available and may be transferred from the Assembly Contingent Fund, by resolution of the Assembly or resolution of the Assembly Rules Committee, and the Senate Contingent Fund, by resolution of the Senate or resolution of the Senate Rules Committee.

Judicial

0250-001-001—For support of Judiciary 51,172,000

Schedule:

(a) 10-Supreme Court 6,776,000

(b) 20-Courts of Appeal 36,843,000

(c) 30-Judicial Council 7,854,000

(d) 40-Commission on Judicial Performance 305,000

(e) Amount payable from Item 0250-001-001, Budget Act of 1982, as reappropriated by Item 0250-490 of the Budget Act of 1983 and Item 0250-490 of this act ..... −606,000

Provisions:

1. Notwithstanding Section 6.50 of this act, the funds appropriated or scheduled in this item may be allocated or reallocated among categories by order of the Judicial Council; however, any allocation or reallocation by the Judicial Council shall be reported to the Director of Finance.

0250-001-044—For support of Judiciary, Program 30, Judicial Council, for implementing uniformity and consistency of procedure in traffic courts, payable from the Motor Vehicle Account, State Transportation Fund... 60,000

0250-101-001—For reimbursement of any county, in whose superior court a judge of the municipal court of another county is assigned to sit and which is required by subdivision (b) of Section 68540 of the Government Code to reimburse the other county from which such assignment is made, of the cost of the regular salary of a municipal court judge (as specified in subdivision (b) of Section 68202 and in

Item Amount

Section 68203 of the Government Code) for that period of time while serving on assignment in its superior court; and for payment to any county, in whose superior court a judge of its municipal court is assigned to sit, of the cost of the regular salary of a municipal court judge (as specified in subdivision (b) of Section 68202 and in Section 68203 of the Government Code) for that period of time while serving on assignment in its superior court; and for payment to any county of the cost of the regular salary of a municipal court judge (as specified in subdivision (b) of Section 68202 and in Section 68203 of the Government Code) for that period of time its municipal court judge serves on assignment on an appellate court; and for payment to any county of the transportation expenses of a judge assigned to sit on a municipal court to replace an absent municipal court judge who has been assigned to sit on a superior court or an appellate court, Program 30, Judicial Council, for payment by the State Controller 243,000

0250-301-036—For capital outlay, Judiciary, payable from the Special Account for Capital Outlay 852,000

Schedule:

(1) Fresno—preliminary plans, working drawings and construct remodeling and expansion of office space	335,000
(2) Minor projects	178,000
(3) San Francisco State Building—remodel facilities (design development)	193,000
(4) Orange County Courthouse—remodel facilities (design development, preliminary plans, and working drawings)	146,000

Provisions:

1. Any lease agreement entered into by the Judicial Council for use of the Orange County Courthouse shall have a firm term of occupation of not less than 20 years.

0250-490—Reappropriation, Judiciary. On the effective date of this act, notwithstanding any other provision of law, the unencumbered balances of the appropriations provided in the following citations are reappropriated for the following purposes and shall be available for expenditure until June 30, 1985:

Item Amount

001—General Fund

(a) Item 0250-001-001, Budget Act of 1982, as reappropriated by Item 0250-490 of the Budget Act of 1983, for transfer to Item 0250-001-001, to be used for purchase of equipment, general expenses, and facilities operations, not to exceed $605,600.

Provisions:

1. The amount available for reappropriation shall be limited to the amount of one-time-only operating expenses for the Sixth District Court of Appeal not expended in the 1983–84 fiscal year.

0250-495—Reversions, Judicial. As of June 30, 1984, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:

001—General Fund

(1) Subdivision (a) of Section 2 of Chapter 158, Statutes of 1978—court interpreter study.

0390-001-001—For support, for transfer by the State Controller to the Judges' Retirement Fund, for Supreme Court and appellate court judges 846,000

Provisions:

1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between Item 0390-001-001 and Item 0390-101-001.

0390-101-001—For local assistance, for transfer by the State Controller to the Judges' Retirement Fund for superior court and municipal court judges 9,547,000

Provisions:

1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between Item 0390-001-001 and Item 0390-101-001.

0420-101-001—For local assistance, for state's share of salaries of judges of superior courts as provided by Section 68206 of the Government Code 38,817,000

Provisions:

1. Any funds which are unexpended due to vacancies in judgeships may be expended by the Judicial Council as follows:

Item Amount

(a) For extra compensation, expenses, and staff for judges assigned by the Chairperson of the Judicial Council, except that no funds shall be expended under this provision until the Judicial Council notifies the Controller that it has expended at least $525,000 for extra compensation, expenses, and staff for assigned judges from Item 0250-001-001.

(b) For expenses of judges assigned by the Chairperson of the Judicial Council, other necessary judicial officers and employees, and facilities in coordination proceedings under Code of Civil Procedure Section 404.8.

0440-101-001—For local assistance, for payment to counties for disbursement as a $60,000 block grant for each of the superior court judgeships created by statutes enacted since January 1, 1973 9,480,000

Provisions:

1. None of the funds appropriated by this item shall be disbursed as block grants for the 10 judgeships established by Chapter 1311, Statutes of 1974; the four judgeships established by Chapter 748, Statutes of 1981; one of the three judgeships established by Chapter 498, Statutes of 1982; the three judgeships established by Chapter 1574, Statutes of 1982; the three judgeships established by Chapter 1575, Statutes of 1982; and the judgeship established by Chapter 1576, Statutes of 1982.

0460-001-001—For support, for state's share of cost for membership in National Center for State Courts, Judicial Council of California 50,000

Executive

0500-001-001—For support of Governor and of Governor's office 4,760,000

Schedule:

(a) Support	4,645,000
(b) Governor's Residence (Support)	25,000
(c) Governor's Residence (Rental)	60,000
(d) Special Contingent Expenses	30,000

Provisions:

1. This appropriation is exempt from the provisions of Sections 925.6, 12410, and 13320 of the Government Code.

0510-001-001—For support of Secretary for State and Consumer Services 612,000

Item		Amount
Schedule:		
(a) Support	632,000	
(b) Reimbursements	−20,000	
0520-001-001—For support of Secretary for Business, Transportation, and Housing, Program 10		304,000
0520-001-044—For support of Secretary for Business, Transportation, and Housing, payable from the Motor Vehicle Account, State Transportation Fund		504,000
Schedule:		
(a) 10-Administration of Business, Transportation and Housing Agency	1,021,000	
(b) Reimbursements	−517,000	
Provisions:		
1. No funds appropriated by this item shall be expended by the agency after February 1, 1985, for borrowed exempt positions unless a bill is introduced by January 31, 1985, to statutorily establish all currently utilized exempt positions. No borrowed positions other than those borrowed by the agency on April 24, 1984, may be borrowed during the 1984–85 fiscal year.		
0530-001-001—For support of Secretary for Health and Welfare		9,281,267
Schedule:		
(a) Support	16,987,219	
(b) Reimbursements	−7,705,952	
Provisions:		
1. Funds shall not be expended for support of the Health and Welfare Agency until it satisfactorily complies with the following requirements which were set forth in the 1983 Budget Act:		
(a) Submittal to the Legislature of an action plan which shows what steps need to be taken, who is responsible for each one, a timetable, and funding that is necessary to implement a gatekeeper program.		
(b) Documentation that a waiver request for Title XIX of the Social Security Act has been submitted to the federal government. This provision does not apply to the Multipurpose Senior Services Program.		
0540-001-001—For support of Secretary for Resources		1,074,000
Schedule:		
(a) 10-Administration of Resources Agency	1,108,000	
(b) Reimbursements	−14,000	

Item		Amount
0540-001-140—For support of Secretary for Resources, Program 10—Administration of Resources Agency, payable from the California Environmental License Plate Fund		380,000
0550-001-001—For support of Secretary for Youth and Adult Correctional Agency, Program 10—Correctional Programs		645,000
0565-001-001—For support of the Commission on Industrial Innovation		200,000
0580-001-001—For support of Office of California/Mexico Affairs		224,000
Schedule:		
(a) 100000-Personal Services	149,000	
(b) 300000-Operating Expenses and Equipment	75,000	
0585-001-001—For transfer by the State Controller from the General Fund to the California State World Trade Commission Fund for support of the California State World Trade Commission		443,000
0585-001-981—For support of the California State World Trade Commission, payable from the California State World Trade Commission Fund		443,000
Schedule:		
(a) 100000-Personal Services	317,000	
(b) 300000-Operating Expenses and Equipment	126,000	
0650-001-001—For support of Office of Planning and Research		3,299,000
Schedule:		
(a) 11-State Planning and Policy Development	3,358,000	
(b) Reimbursements	−59,000	
Provisions:		
1. OPR shall provide staff support to and fund the minor, direct expenses of members of the California Commission on Industrial Innovation.		
0650-001-890—For support, Office of Planning and Research, Program 11, State Planning and Policy Development, payable from the Federal Trust Fund		500,000
Provisions:		
1. An amount equal to a maximum of 20 percent of Item 0650-101-890 may be transferred between Item 0650-101-890 and Item 0650-001-890 in order to adjust these appropriations to conform to the federal grant award.		

Item		Amount
0650-101-890—For local assistance, Office of Planning and Research, Program 11.35, California Energy Extension Service payable from the Federal Trust Fund		125,000
Provisions:		
1. An amount equal to a maximum of 20 percent of Item 0650-101-890 may be transferred between this item and Item 0650-001-890 in order to adjust these appropriations to conform to the federal grant award.		
0660-001-001—For support of Office of Economic Opportunity		80,000
(a) 100000-Personal Services	38,000	
(b) 300000-Operating Expenses and Equipment	42,000	
0660-001-890—For support of Office of Economic Opportunity, payable from the Federal Trust Fund		8,559,000
Schedule:		
(a) 100000-Personal Services	4,711,000	
(b) 300000-Operating Expenses and Equipment	3,848,000	
Provisions:		
1. On a federal fiscal year basis, the office shall make the following program allocations for the community services block grant, as a percentage of the total block grant:		
(a) Administration	5 percent	
(b) Discretionary funds	5 percent	
The office shall provide the State Controller with the dollar value of these allocation limits, as they relate to the appropriation in this item, at the beginning of the state fiscal year, and shall update this information whenever necessary to reflect federal revisions to the grant.		
2. Notwithstanding Section 16367.5(b) of the Government Code, the office may expend $4,528,000 of the LIHEAP block grant for state administrative costs, adjusted for any allocations made by the Department of Finance for employee compensation and price increases. Any other proposed increase to LIHEAP state administrative costs for the 1984–85 state fiscal year, even if based on a higher, revised grant level and within the 5 percent allowed by Section 16367.5(b), shall be approved pursuant to Section 28 of this act and in no event shall result in the office's state administrative costs for LIHEAP exceeding 7.5 percent of the total LI-		

Item Amount

HEAP grant.

3. The report required under Section 12783 of the Government Code from the Office of Economic Opportunity to the Legislature shall include, but not be limited to, for 1984–85, statistical and procedural information on the status of all applications filed with the Office of Economic Opportunity for the Low Income Home Energy Assistance Program's cash payment program including: (a) the timely distribution of direct payments to eligible applicants, (b) incomplete applications, (c) denied applications, (d) appealed applications, and (e) the issuance or reissuance of single-party warrants.

0660-011-890—For support of Office of Economic Opportunity, to be transferred to the Social Welfare Federal Fund, payable from the Federal Trust Fund ..... (8,583,000)

0660-101-890—For local assistance, Office of Economic Opportunity for assistance to individuals and payments to service providers, payable from the Federal Trust Fund 110,955,000

Schedule:

(a) 20-Energy Programs 83,154,000

(b) 40-Community Services 27,801,000

Provisions:

1. On a federal fiscal year basis, the office shall make the following program allocations for the community services block grant as a percentage of the total block grant:

(a) Migrant and seasonal farm workers ..... 10 percent

(b) Native American Indian programs 3.9 percent

(c) Rural areas without community action agencies ..... 2.1 percent

(d) Community action agencies ..... 74 percent

All grantees under the community services block grant program shall be subject to standard state contracting procedures required under the program.

2. The office shall provide the State Controller with the dollar value of these allocation limits, as they relate to the appropriation in this item, at the beginning of the state fiscal year, and shall update this information whenever necessary to reflect federal revisions to the grant.

Item Amount

3. In order to support any new community action agency (CAA), the OEO may transfer from the allocation for areas without CAAs a share of funds that is equal to the proportion of low-income individuals living in the new CAA area compared to the low-income population in all areas without a CAA.
4. The Legislature recognizes that action must be taken to mitigate the loss of funds to some CAAs that results from implementing the provisions of Chapter 4 of the 1983–84 First Extraordinary Session. Of the total funding adjustment planned by the OEO to establish CAA allocations based on the low-income population in each area, the OEO shall only adjust local allocations by ⅔ of the adjustment amount.

   In addition to the regular allocation made to CAAs in 1984–85, the following agencies shall receive additional support, as follows:

(a) Berkeley	$39,413
(b) Oakland	106,239
(c) ACAP	21,709
(d) Contra Costa	84,192
(e) Imperial	7,921
(f) Long Beach	55,331
(g) Foothill	41,549
(h) San Francisco	432,471
(i) San Joaquin	8,598
(j) Santa Clara	5,103
(k) Solano	29,474

5. Rural areas without CAAs shall receive additional support in the amount of $68,000.
6. The OEO shall create a fourth migrant farmworker district in 1984–85. The OEO shall submit a report outlining the plan for the fourth district to the Legislature 30 days before implementing the fourth district.
7. The OEO and representatives of Native American Indian agencies shall formally request an opinion from the Office of the Attorney General concerning whether a tribal government of an Indian reservation is, under federal law, eligible for direct community services block grant funding as a political subdivision of the state. The OEO shall provide direct community services block grant support to eligible Native American Indian agencies as quickly as possible.

Item Amount

8. Within the total amount of funds received by the Office of Economic Opportunity from the federal Department of Energy, $300,000, or less if limited by federal law, shall be used to develop an outreach and education program in weatherization and energy conservation.
9. If the OEO proposes to contract for services which are in the nature of economic development and job training or job creation, as part of the discretionary community service block grant funds, the OEO shall coordinate these efforts with the Employment Development Department, the Job Training Coordination Council, and the Department of Economic and Business Development. The coordination shall involve as a minimum the opportunity to review and comment by these entities on any RFPs or criteria by which respondents to these RFPs are evaluated.

The OEO shall, as part of its annual 1985 community service block grant report to the Legislature, prepare a statement documenting how this coordination took place for the allocation of funds in fiscal year 1984–85.

0660-111-890—For local assistance, Office of Economic Opportunity 2,810,000

Provisions:

1. Of the total appropriation, $2,000,000 shall be used for weatherization activities, contingent upon availability of federal Petroleum Violation Escrow Account Funds.
2. Of the total appropriation, $810,000 shall be used to educate low-income recipients of federal energy assistance regarding energy conservation practices, contingent upon availability of federal Petroleum Violation Escrow Account Funds.
3. It is the intent of the Legislature that if Petroleum Violation Escrow Account Funds become available, the programs described in Provisions 1 and 2 shall receive first priority for funding.

0690-001-001—For support of Office of Emergency Services, California Emergency Council and Advisory Committees 7,023,000

Schedule:

(a) 100000-Personal Services 2,665,000
(b) 300000-Operating Expenses and Equipment 4,622,000

Item		Amount
(c) 400000-Special Item of Expense, Depreciation and Amortization (Microwave)	1,000	
(d) Reimbursements	−265,000	

Provisions:

1. Funds appropriated by this item may be reduced by the Director of Finance, after giving notice to the Chairman of the Joint Legislative Budget Committee, by the amount of federal funds made available for the purposes of this item in excess of the federal funds scheduled in Item 0690-001-890.
2. The office shall charge tuition for all training offered through the California Training Institute.

0690-001-029—For support of Office of Emergency Services, California Emergency Council and Advisory Committee, payable from the Nuclear Planning Assessment Special Account		287,000
(a) 100000-Personal Services	175,000	
(b) 300000-Operating Expenses and Equipment	112,000	
0690-001-890—For support of Office of Emergency Services, California Emergency Council and Advisory Committee, payable from the Federal Trust Fund		3,359,000
(a) 100000-Personal Services	2,097,000	
(b) 300000-Operating Expenses and Equipment	1,262,000	

Provisions:

1. No funds, either state or federal, shall be expended by any state agency for developing or implementing "crisis relocation planning," or for any planning whose primary or exclusive purpose is to effect a mass evacuation of California's civilian population, in the event of the threat of a nuclear war.

   If, as a result of this section, the Federal Emergency Management Agency (FEMA) withholds other federal funds whose purposes are the support of California's emergency planning and preparedness for civilian and natural disasters, and if the court of original jurisdiction upholds the legality of such action by FEMA, then the implementation of this section shall be suspended until judicial appeals have been exhausted or Congress prohibits this action by FEMA.

Item		Amount
0690-101-001—For transfer by the Controller from the General Fund to the Public Facilities Account, Natural Disaster Assistance Fund, for local assistance, Office of Emergency Services		11,635,000
0690-101-029—For local assistance, Office of Emergency Services, Program 30—Fixed Nuclear Powerplant Planning, payable from the Nuclear Planning Assessment Special Account		600,000
0690-101-253—For local assistance, Office of Emergency Services Program 50—Natural Disaster Assistance, payable from the Public Facilities Account, Natural Disaster Assistance Fund		11,635,000
0690-101-890—For local assistance, Office of Emergency Services Program 10—Emergency Mutual Aid Services, payable from the Federal Trust Fund		38,013,000
Provisions:		
1. The funds appropriated by this item are exempt from Section 28 of this act.		
0690-490—Reappropriation, Office of Emergency Services. Notwithstanding any other provision of law, on July 1, 1984, any funds remaining in the 1983 Natural Disasters Account, Natural Disaster Assistance Fund, in excess of the amount encumbered by that date plus a 5 percent contingency reserve, are reappropriated for the purpose of providing disaster relief for damages resulting from the April 24, 1984, earthquake at Morgan Hill, as well as damage from the Coalinga earthquake, pursuant to guidelines established by the Office of Emergency Services.		
0750-001-001—For support of Office of the Lieutenant Governor		1,238,405
Schedule:		
(a) 100000-Personal Services	862,350	
(b) 300000-Operating Expenses and Equipment	402,055	
(c) Reimbursements	−26,000	
0820-001-001—For support of Department of Justice		100,660,000
Schedule:		
(a) 11.01-Executive-Administration	32,267,956	
(b) 11.02-Distributed Executive-Administration	−32,267,956	
(c) 20-Special Programs	4,491,000	
(d) 30-Civil Law	21,957,000	
(e) 40-Criminal Law	20,651,000	
(f) 45-Public Rights	12,306,000	
(g) 50-Law Enforcement	62,245,000	
(h) Reimbursements	−20,990,000	

Item Amount

Provisions:

1. The Attorney General shall submit to the Legislature and the Governor the quarterly and annual reports which he or she submits to the federal government on the activities of the Medi-Cal Fraud Unit.
2. Notwithstanding any other provision of law, the Department of Justice may purchase vehicles of any type or class, which in the judgment of the Attorney General or his designee are necessary to the performance of the investigatory and enforcement responsibilities of the Department of Justice, from the funds appropriated for that purpose in this item.
3. Any funds received by the Department of Justice as reimbursements for legal services provided by the Civil Law Program in excess of $12,630,000, and by the Public Rights Program in excess of $1,933,000, plus amounts for employee compensation adjustments, shall revert to the unappropriated surplus of the General Fund unless the Director of Finance authorizes the expenditure of the reimbursements and notification of the additional expenditure authority is provided to the Legislature pursuant to Section 28.00.
4. $474,000 shall be repaid to the General Fund from the Narcotics Assistance and Relinquishment by Criminal Offender (NARCO) Fund upon determination by the Department of Finance that sufficient funds are available in the NARCO Fund, pursuant to Section 11493 of the Health and Safety Code.

0820-001-012—For support of Department of Justice, Public Rights, Program 45, payable from the Attorney General's Antitrust Account, General Fund .. 381,000

0820-001-014—For support of Department of Justice, Public Rights, Program 45, payable from the Hazardous Waste Control Account 1,332,000

0820-001-017—For support of Department of Justice, Law Enforcement, Program 50, payable from fingerprint fees, General Fund, pursuant to subdivision (e) of Section 11105 of the Penal Code 6,566,000

0820-001-044—For support of Department of Justice, Law Enforcement, Program 50, payable from the Motor Vehicle Account, State Transportation Fund 11,063,000

Item		Amount
0820-001-460—For support of Department of Justice, Law Enforcement, Program 50, payable from the Dealers' Record of Sale Special Account, General Fund		711,000
0820-001-465—For support of Department of Justice, Public Rights, Program 45, payable from the Energy Resources Program Account		675,000
0820-001-477—For support of Department of Justice, Law Enforcement, Program 50, payable from the Gaming Registration Fund		400,000
Provisions:		
1. The funds appropriated by this item shall not be available for encumbrance in excess of the sum of the revenues deposited, and the revenues which can reasonably be estimated to be deposited, in the Gaming Registration Fund for the 1984–1985 fiscal year, subject to certification by the Department of Finance.		
0820-001-890—For support of Department of Justice		5,384,000
Schedule:		
(a) 40-Criminal Law	3,314,000	
(b) 50-Law Enforcement	2,070,000	
0820-301-036—For minor capital outlay, Department of Justice, payable from the Special Account for Capital Outlay		103,000
0840-001-001—For support of State Controller		43,887,000
Schedule:		
(a) 100000-Personal Services	36,898,000	
(b) 300000-Operating Expenses and Equipment	20,545,000	
(c) Refunds of Taxes, Licenses and other Fees	30,000	
(d) Reimbursements	−9,654,000	
(e) Amount payable from the Aeronautics Account, State Transportation Fund (Item 0840-001-041)	−229,000	
(f) Amount payable from the Motor Vehicle Fuel Account, Transportation Tax Fund (Item 0840-001-061)	−2,051,000	
(g) Amount payable from the State School Building Aid Fund (Item 0840-001-739)	−304,000	
(h) Amount payable from the Federal Trust Fund (Item 0840-001-890)	−1,100,000	
(i) Amount payable from the Assessment Fund (Item 0840-001-903)	−116,000	

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(j) Amount payable from nongovernmental cost funds, Retail Sales Tax Fund (Item 0840-001-988) ..... —132,000

Provisions:

1. The appropriation made by this item shall be in lieu of any allocation made pursuant to subdivision (b) of Section 30462 of the Revenue and Taxation Code during the 1984–85 fiscal year and no funds shall be allocated to the State Controller pursuant to Section 30462 during the 1984–85 fiscal year.
2. The funds appropriated in Schedule (c) are for refunding of payments of taxes, licenses, fees and other receipts which have been erroneously collected and deposited in the General Fund for the refund of which no other provision is made by law, for refunding of amounts withheld and deposited in a fund in the State Treasury to any person who is determined to be liable to a taxpayer by reason of withholding and transmitting payments of taxes, interest, and penalties for the refund of which no other provision is made by law, and for payment of prior judgments, liens or encumbrances pursuant to Section 12516 of the Government Code; provided further, that expenditures made under Schedule (c) of this item shall be charged to the year in which the warrant is issued by the State Controller.
3. The appropriation made by this item shall be in lieu of the appropriation in Section 1564 of the Code of Civil Procedure for all costs, expenses, or obligations connected with the administration of the Unclaimed Property Law, with the exception of payment of owners' or holders' claims pursuant to Section 1540, 1542, 1560, or 1561 of that code.
4. The Controller shall consolidate all inheritance and gift tax administration activities in the Sacramento office as of June 30, 1985.

0840-001-041—For support of State Controller, to be transferred to Item 0840-001-001, payable from the Aeronautics Account, State Transportation Fund.. 229,000

0840-001-061—For support of State Controller, to be transferred to Item 0840-001-001, payable from the Motor Vehicle Fuel Account, Transportation Tax Fund 2,051,000

0840-001-739—For support of State Controller, to be transferred to Item 0840-001-001, payable from the State School Building Aid Fund 304,000

Item		Amount
0840-001-890—For support of State Controller, to be transferred to Item 0840-001-001, payable from the Federal Trust Fund		1,100,000
0840-001-903—For support of State Controller, to be transferred to Item 0840-001-001, payable from the Assessment Fund		116,000
0840-001-988—For support of State Controller, to be transferred to Item 0840-001-001, payable from nongovernmental cost funds (Retail Sales Tax Fund)		132,000
0860-001-001—For support of State Board of Equalization		72,629,000
Schedule:		
(a) 100000-Personal Services	87,368,000	
(b) 300000-Operating Expenses and Equipment	22,650,000	
(c) Reimbursements	−30,394,000	
(d) Amount payable from the Energy Resources Programs Account General Fund (Item 0860-001-465)	−70,000	
(e) Amount payable from the State Emergency Telephone Number Special Account, General Fund (Item 0860-001-022)	−89,000	
(f) Amount payable from the Motor Vehicle Fuel Account, Transportation Tax Fund (Item 0860-001-061)	−3,812,000	
(g) Amount payable from the Timber Tax Fund (Item 0860-001-965)	−1,763,000	
(h) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Item 0860-001-064)	−1,170,000	
(i) Amount payable from the Universal Telephone Service Fund (Item 0860-001-415)	−91,000	

Provisions:

1. The State Board of Equalization shall use the effectiveness criterion of net assessments per dollar of cost for the purpose of audit selection and resource allocation processes and in reporting accomplishments to the Legislature. The board may use other criteria in evaluating the effectiveness of other aspects of the audit program. The board shall select audits and allocate audit resources solely on the basis of incremental or marginal net assessments expected to be produced. Nothing in this proviso shall require

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the board to individually rank each audit eligible account against all other eligible accounts or preclude the board from selecting audits for training purposes, or from allocating audit staff to verify claims for refund or to meet necessary management information needs.

2. The $1,170,000 appropriated from the Motor Vehicle License Fee Account, Transportation Tax Fund, shall be allocated as follows:
   (a) $1,060,000 for funding 50 percent of the direct cost of local property tax monitoring and assessment practices survey activities.
   (b) $110,000 for funding 50 percent of the direct cost of the Legal Entity Ownership Program.

   The Controller shall deduct the amount appropriated in Item 0860-001-064 from the amount allocated to cities and counties pursuant to Section 11005 of the Revenue and Taxation Code.
3. The Director of Finance shall reduce the amount appropriated by this item by the amount of total charges levied pursuant to Section 7204.3 of the Revenue and Taxation Code which exceeds $21,238,000 and the amount of total charges levied pursuant to Section 7273 of the Revenue and Taxation Code which exceeds $8,461,000.

0860-001-022—For support of State Board of Equalization, to be transferred to Item 0860-001-001, payable from the State Emergency Telephone Number Special Account, General Fund 89,000

0860-001-061—For support of State Board of Equalization, to be transferred to Item 0860-001-001, payable from the Motor Vehicle Fuel Account, Transportation Tax Fund 3,812,000

0860-001-064—For support of State Board of Equalization, to be transferred to Item 0860-001-001, payable from the Motor Vehicle License Fee Account, Transportation Tax Fund 1,170,000

0860-001-415—For support of State Board of Equalization, to be transferred to Item 0860-001-001, payable from the Universal Telephone Service Fund 91,000

0860-001-465—For support of State Board of Equalization, to be transferred to Item 0860-001-001, payable from the Energy Resources Programs Account, General Fund 70,000

Item		Amount
0860-001-965—For support of State Board of Equalization, to be transferred to Item 0860-001-001, payable from the Timber Tax Fund		1,763,000
0860-301-036—For minor capital outlay, Board of Equalization, payable from the Special Account for Capital Outlay		15,000
0890-001-001—For support of Secretary of State		13,667,000
Schedule:		
(a) 100000-Personal Services	7,906,000	
(b) 300000-Operating Expenses and Equipment	3,681,000	
(c) Ballot Pamphlet Printing	1,399,000	
(d) Ballot Pamphlet Mailing	1,077,000	
(e) Printing, Voter Registration by Mail	347,000	
(f) Postage, Voter Registration by Mail	526,000	
(g) Reimbursements	−1,269,000	
0950-001-001—For support of State Treasurer		3,841,000
Schedule:		
(a) 100000-Personal Services	4,378,000	
(b) 300000-Operating Expenses and Equipment	1,698,000	
(c) Reimbursements	−2,235,000	
0970-001-171—For support of California Debt Advisory Commission, payable from the California Debt Advisory Commission Fund		657,000
Schedule:		
(a) 100000-Personal Services	373,000	
(b) 300000-Operating Expenses and Equipment	303,000	
(c) Reimbursements	−19,000	

STATE AND CONSUMER SERVICES

1100-001-001—For support of Museum of Science and Industry		7,129,000
Schedule:		
(a) 100000-Personal Services	4,076,000	
(b) 300000-Operating Expenses and Equipment	3,072,000	
(c) Reimbursements	−19,000	

Provisions:

1. The Director of General Services may not approve a contract, permit, or lease agreement by the museum (excluding those for museum exhibits), which reduces state revenues or increases state costs by $25,000 or more, unless, not

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sooner than 30 days prior to giving his or her approval, the director submits in writing to the Chairperson of the Joint Legislative Budget Committee notification of the director's intent to approve such contract, permit, or lease, or not sooner than such lesser time as the chairperson may in each instance determine.

2. The Executive Director of the Museum of Science and Industry, when acting in the capacity of the Executive Vice President of the Museum Foundation of Los Angeles, shall notify the Legislature of his or her intent to enter into contractual arrangements which involve the Museum of Science and Industry. The Executive Director shall provide the Legislature with copies of all such executed contracts.

1100-301-036—For minor capital outlay, Museum of Science and Industry, payable from the Special Account for Capital Outlay 180,000

1110-401—Notwithstanding any other provision of law, no more than five percent of the amount allocated for enforcement in Items 1120-001-704 to 1600-084-780, inclusive, may be used for any other purpose sooner than 30 days after written notice of the necessity therefor to the Chairperson of the Joint Legislative Budget Committee.

1120-001-704—For support of Board of Accountancy, payable from the Accountancy Fund 2,261,000

Schedule:

(a) 3-Board of Accountancy..... 2,276,000

(b) Reimbursements ..... −15,000

1130-004-706—For support of California State Board of Architectural Examiners, payable from the California State Board of Architectural Examiners' Fund 1,230,000

Schedule:

(a) 6-Board of Architectural Examiners 1,237,000

(b) Reimbursements ..... −7,000

1140-006-001—For support of State Athletic Commission, Program 9 625,000

1150-008-128—For support of Bureau of Automotive Repair, Department of Consumer Affairs, payable from the Automotive Repair Fund..... 5,952,000

Schedule:

(a) 12-Bureau of Automotive Repair.. 5,957,000

(b) Reimbursements ..... −5,000

Item	Amount
1150-008-420—For support of Bureau of Automotive Repair, Program 12, Department of Consumer Affairs, payable from the Vehicle Inspection Fund ..	19,736,000

Provisions:

1. Up to $402,000 in additional funds shall be available for potential increases in workload associated with the quality assurance contract not sooner than 15 days after notification has been provided to the Chairperson of the Joint Legislative Budget Committee and the fiscal committee in each house concerning these expenditures.
2. Any public awareness program funded by this item shall only be conducted in and for areas showing excessive noncompliance, complaints, or low public awareness of the biennial vehicle inspection program. No contract for any public awareness program may be entered into any sooner than 30 days after notification of the proposed contract has been provided to the Chairperson of the Joint Legislative Budget Committee.
3. Any unencumbered portion of the $296,000 appropriated for the Biennial Vehicle Inspection Program in Fresno shall revert to the Vehicle Inspection Fund if Fresno County withdraws its participation from the program for any reason.

1160-010-713—For support of State Board of Barber Examiners, payable from the State Board of Barber Examiners' Fund		664,000
Schedule:		
(a) 15-State Board of Barber Examiners	667,000	
(b) Reimbursements	−3,000	
1170-012-773—For support of Board of Behavioral Science Examiners of the State of California, payable from the Behavioral Science Examiners Fund		732,000
Schedule:		
(a) 18-Board of Behavioral Science Examiners	748,000	
(b) Reimbursements	−16,000	
1180-014-717—For support of Cemetery Board, Program 21, payable from the Cemetery Fund		243,000
1200-016-157—For support of Bureau of Collection and Investigative Services, Department of Consumer Affairs, payable from the Collection Agency Fund		642,000
Schedule:		
(a) 24.10.010-Collection Agencies	663,000	

Item	Amount
(b) 24.10.020-Distributed Collection Agencies ..... −18,000	
(c) Reimbursements ..... −3,000	
1210-018-769—For support of Bureau of Collection and Investigative Services, Department of Consumer Affairs, payable from the Private Investigator Fund	2,471,000
Schedule:	
(a) 24.20-Private Investigators 3,354,000	
(b) Reimbursements ..... −883,000	
1230-020-735—For support of Contractors' State License Board, payable from the Contractors' License Fund	15,813,000
Schedule:	
(a) 30-Contractors' State License Board 15,856,000	
(b) Reimbursements ..... −43,000	

Provisions:

1. No funds appropriated by this item may be expended for any services of the Attorney General which are in excess of the amounts budgeted therefor sooner than 30 days after written notification by the Department of Finance to the Chairperson of the Joint Legislative Budget Committee.
2. In expending funds appropriated pursuant to this item, the board shall give first priority to completing complaint mediation and investigation of all consumer complaints and complaints from industry sources. The board shall give second priority to investigation of applications at the level of 3 percent of all applications received by the board.

   No other complaints and investigations shall be processed if either of the following exists:

   (a) Consumer complaints are not mediated or investigated within a median time of 90 days of receipt by the board.
   (b) Application investigations are not completed within 90 days of receipt by the board.
3. The board shall report quarterly to the Joint Legislative Budget Committee all of the following:

   (a) The number of consumer complaints and application investigations.
   (b) The median time expended by the board in closing consumer complaints.
   (c) The number of application investigations

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that exceed 90 days.

(d) If other complaints have been mediated or investigated during the quarter and consumer complaints or application investigations are not being completed within 90 days, the board shall report the type and number of those cases, as well as the reasons for their priority treatment.

4. For purposes of Provisions 2 and 3:

(a) "Consumer complaint" means a complaint which is directly received from the public.

(b) "Completed mediation" means a complaint that is closed, or referred to formal investigation, by a consumer services representative.

(c) "Completed investigation" means a complaint that has been investigated by a deputy registrar and is closed or awaiting formal disciplinary action.

5. (a) The board shall contract with the Department of Finance for the performance of a comprehensive management study of the board. The Department of Finance shall utilize a private consultant to perform the study. A total of $217,000 is provided in this item for this study. The report of the consultant, including recommendations, shall be provided to the Department of Finance and the board by November 30, 1984. The board shall transmit the report and any proposed plans for implementation of recommendations to the Department of Finance, the Joint Legislative Budget Committee, and the fiscal committee in each house by December 15, 1984.

(b) The board, in conjunction with the Department of Consumer Affairs, shall continue to develop workload standards. The board and the Department of Consumer Affairs shall confer with the consultant conducting the management study and shall make available all data collected to the consultant. The management consultant shall review the current standards and those under development. The consultant shall include in the management study recommendations on whether the board should adopt performance standards for individual employees or

Item		Amount
adopt organizational productivity goals which individual employees would not be required to meet.		
1240-022-738—For support of State Board of Cosmetology, payable from the Board of Cosmetology's Contingent Fund		2,580,000
Schedule:		
(a) 33-State Board of Cosmetology	2,593,000	
(b) Reimbursements	−13,000	
1260-024-741—For support of Board of Dental Examiners of California, payable from the State Dentistry Fund		1,936,000
Schedule:		
(a) 36.10.010-Board of Dental Examiners	1,951,000	
(b) 36.10.020-Distributed Board of Dental Examiners	−5,000	
(c) Reimbursements	−10,000	
1270-026-380—For support of Board of Dental Examiners of California, payable from the Dental Auxiliary Fund		540,000
Schedule:		
(a) 36-Board of Dental Examiners	543,000	
(b) Reimbursements	−3,000	
1280-028-325—For support of Bureau of Electronic and Appliance Repair, Department of Consumer Affairs, Program 39, payable from the Electronic and Appliance Repair Fund		1,014,000
1300-030-180—For support of Bureau of Employment Agencies, Department of Consumer Affairs, payable from the Bureau of Employment Agencies Fund		532,000
Schedule:		
(a) 42.10.010-Employment Agencies	537,000	
(b) 42.10.020-Distributed Employment Agencies	−5,000	
1310-032-258—For support of Nurses' Registry, Program 42, payable from the Nurses' Registry Fund		17,000
1320-034-745—For support of State Board of Fabric Care, Program 45, payable from the Fabric Care Fund		852,000
1330-036-750—For support of State Board of Funeral Directors and Embalmers, payable from the State Funeral Directors and Embalmers Fund		496,000
Schedule:		
(a) 48-State Board of Funeral Director's and Embalmers	499,000	
(b) Reimbursements	−3,000	

Item		Amount
1340-038-205—For support of State Board of Registration for Geologists and Geophysicists, Program 51, payable from the Geology and Geophysics Fund..		166,000
1350-040-001—For support of State Board of Guide Dogs for the Blind, Program 54		24,000
1360-042-752—For support of Bureau of Home Furnishings, Department of Consumer Affairs, Program 57, payable from the Bureau of Home Furnishings Fund		1,494,000
1370-044-757—For support of California State Board of Landscape Architects, Program 60, payable from the State Board of Landscape Architects Fund		243,000
1390-046-758—For support of Board of Medical Quality Assurance of the State of California, payable from the Contingent Fund of the Board of Medical Quality Assurance		13,073,000
Schedule:		
(a) 63.10.010-Board of Medical Quality Assurance.....	13,516,000	
(b) 63.10.020-Distributed Board of Medical Quality Assurance	−333,000	
(c) Reimbursements	−110,000	
Provisions:		
1. Of the funds appropriated under this item, $285,000 may be expended to conduct an investigation into the use of fraudulent medical credentials only if $1,000,000 is encumbered by the board to an educational and technical assistance program on Medi-Cal regulations, health maintenance organizations, and preferred provider organizations. The board shall execute a contract for this program on or before September 1, 1984.		
2. All or part of the amount dedicated to the above education program may be used for a contract with the Joint Committee on Medi-Cal Oversight.		
1390-047-175—For support of Board of Medical Quality Assurance of the State of California, Program 63, payable from the Dispensing Optician's Fund		125,000
1400-048-108—For support of Board of Medical Quality Assurance of the State of California, payable from the Acupuncturists Fund.....		402,000
Schedule:		
(a) 63.20-Acupuncture Advisory Committee	408,000	
(b) Reimbursements	−6,000	

Item		Amount
1410-050-208—For support of Board of Medical Quality Assurance of the State of California, payable from the Hearing Aid Dispensers Fund		141,000
Schedule:		
(a) 63.30-Hearing Aid Dispensers Examining Committee	145,000	
(b) Reimbursements	−4,000	
1420-052-759—For support of Board of Medical Quality Assurance of the State of California, payable from the Physical Therapy Fund		272,000
Schedule:		
(a) 63.40-Physical Therapy Examining Committee	285,000	
(b) Reimbursements	−13,000	
1430-054-280—For support of Board of Medical Quality Assurance of the State of California, payable from the Physician's Assistant Fund		204,000
Schedule:		
(a) 63.50-Physician's Assistant Examining Committee	207,000	
(b) Reimbursements	−3,000	
1440-056-295—For support of Board of Medical Quality Assurance of the State of California payable from the Podiatry Fund		314,000
Schedule:		
(a) 63.60-Podiatry Examining Committee	318,000	
(b) Reimbursements	−4,000	
1450-058-310—For support of the Board of Medical Quality Assurance of the State of California, payable from the Psychology Fund		628,000
Schedule:		
(a) 63.70-Psychology Examining Committee	640,000	
(b) Reimbursements	−12,000	
1455-059-319—For support of Board of Medical Quality Assurance of the State of California, Program 63, payable from the Respiratory Care Fund		419,000
Provisions:		
1. Notwithstanding Section 12439 of the Government Code, the Department of Finance may reestablish, limited term to June 30, 1986, up to 8.5 positions for the Respiratory Care Examining Committee.		
1460-060-376—For support of Board of Medical Quality Assurance of the State of California, payable from the Speech Pathology and Audiology Examining Committee Fund		166,000

Item		Amount
Schedule:		
(a) 63.80.010-Speech Pathology and Audiology Committee	168,000	
(b) 63.80.020-Distributed Speech Pathology and Audiology Committee	−2,000	
1470-062-260—For support of State Board of Examiners of Nursing Home Administrators payable from the Nursing Home Administrator's State License Examining Board Fund		255,000
Schedule:		
(a) 66-State Board of Examiners of Nursing Home Administrators	258,000	
(b) Reimbursements	−3,000	
1480-064-763—For support of State Board of Optometry, payable from the State Optometry Fund		295,000
Schedule:		
(a) 69-Board of Optometry	298,000	
(b) Reimbursements	−3,000	
1490-066-767—For support of California State Board of Pharmacy, payable from the Pharmacy Board Contingent Fund		2,235,000
Schedule:		
(a) 72-Board of Pharmacy	2,266,000	
(b) Reimbursements	−31,000	
1495-067-297—For support of Polygraph Examiners Board, Program 74, payable from the Polygraph Examiners Fund		78,000
1500-068-770—For support of State Board of Registration for Professional Engineers, payable from the Professional Engineers' Fund		2,346,000
Schedule:		
(a) 75-State Board of Registration for Professional Engineers	2,349,000	
(b) Reimbursements	−3,000	
1510-070-761—For support of Board of Registered Nursing, Program 78, payable from the Board of Registered Nursing Fund		4,000,000
Schedule:		
(a) 78-Board of Registered Nursing	4,074,000	
(b) Reimbursements	−74,000	
1520-072-771—For support of Certified Shorthand Reporters Board, payable from the Shorthand Reporters' Fund		203,000
Schedule:		
(a) 81-Certified Shorthand Reporters Board	206,000	
(b) Reimbursements	−3,000	

Item		Amount
1520-073-410—For support of Certified Shorthand Reporters Board, Program 81, payable from the Transcript Reimbursement Fund		264,000
1530-074-775—For support of Structural Pest Control Board, payable from the Structural Pest Control Fund		1,758,000
Schedule:		
(a) 84-Structural Pest Control Board	1,759,000	
(b) Reimbursement	−1,000	
1540-076-406—For support of Tax Preparers Program, Program 87, payable from the Tax Preparers Fund		274,000
1560-078-777—For support of Board of Examiners in Veterinary Medicine, payable from the Board of Veterinary Examiners' Contingent Fund		479,000
Schedule:		
(a) 90.10.010-Board of Examiners in Veterinary Medicine	505,000	
(b) 90.10.020-Distributed Board of Examiners in Veterinary Medicine	−13,000	
(c) Reimbursements	−13,000	
1570-080-118—For support of Board of Examiners in Veterinary Medicine, Program 90, payable from the Animal Health Technician Examining Committee Fund		73,000
1590-082-779—For support of Board of Vocational Nurse and Psychiatric Technician Examiners of the State of California, payable from the Vocational Nurse and Psychiatric Technician Examiners' Fund, Vocational Nurse Account		1,896,000
Schedule:		
(a) 91.10.010-Vocational Nurses	1,945,000	
(b) 91.10.020-Distributed Vocational Nurses	−34,000	
(c) Reimbursements	−15,000	
1600-084-780—For support of Board of Vocational Nurse and Psychiatric Technician Examiners of the State of California, Program 91, payable from the Vocational Nurse and Psychiatric Technician Examiners Fund, Psychiatric Technicians Account		433,000
Provisions:		
1. The amount appropriated from this item is from the moneys deposited under the provisions of Section 4547 of the Business and Professions Code.		
1640-086-001—For support of Division of Consumer Services, Department of Consumer Affairs		1,046,000
Schedule:		
(a) 93-Division of Consumer Services	1,063,000	
(b) Reimbursements	−17,000	

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Provisions:

1. The division shall notify the fiscal committees of the Legislature and the Joint Legislative Budget Committee on a quarterly basis of all contracts which have been executed for the development of consumer information publications. This information shall include (a) a description of the publication, (b) anticipated distribution and audience targeted for the publication, (c) anticipated public benefit to be achieved by the publication, and (d) the cost of the contract and the cost of publications.
2. In expending funds appropriated pursuant to this item, the division shall not engage in activities whose primary beneficiary is a constituent agency of the department.
3. The division shall report the following to the fiscal committees and the Joint Legislative Budget Committee on a quarterly basis:
   (a) The number of bills tracked by the legislative unit.
   (b) The number of bills on which the department has taken a position.
   (c) A list of the division-sponsored bills proposed and approved.
   (d) The number and type of publications for which the division has received requests.
   (e) The number and type of publications printed and reprinted.
   (f) The number of appearances by department staff at legislative and administrative hearings.
   (g) The number and type of legal actions performed by the legal services unit.

1640-086-702—For support of Division of Consumer Services, Department of Consumer Affairs, Program 93, payable from the Consumer Affairs Fund 612,000

1650-088-001—For support of Consumer Advisory Council, Department of Consumer Affairs, Program 92 87,000

1655-090-702—For support of Department of Consumer Affairs, payable from the Consumer Affairs Fund 1,362,000

Schedule:

(a)	94.01.010-Division of Administration	7,219,000
(b)	94.01.020-Division of Investigation	3,268,000
(c)	94.01.030-Building Maintenance and Operation	1,362,000
(d)	94.02-Distributed Administration	−10,262,000

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(e) Reimbursements ..... —225,000

Provisions:

1. No augmentation of, or reduction to, the amount of funds allocated in this item for the Division of Investigation shall be made for the purpose of transferring investigative functions or positions to or from boards, bureaus, and commissions within the department prior to the submission of a comprehensive proposal on the location and management of investigations and inspections within the department. This proposal is to be submitted to the Legislature by December 1, 1984. Any transfer of investigative positions or functions shall also be subject to the requirements of Section 28.00. These restrictions shall not apply to the transfer of positions to the Structural Pest Control Board as authorized in this act.

1655-092-494—For allocation by executive order of the Department of Finance, from the special funds of the boards, bureaus, committees and commissions of the Department of Consumer Affairs, for pro rata charges for word processing equipment 105,000

1655-301-702—For capital outlay, Department of Consumer Affairs, payable from the Consumer Affairs Fund 377,000

Schedule:

(1) Sacramento-preliminary plans, working drawings and construct modifications to air conditioning system..... 377,000

Provisions:

1. All funds provided by this item shall revert to the Consumer Affairs Fund if construction contracts for modifications to the headquarters building air conditioning system have not been signed by January 1, 1985.

1700-001-001—For support of Department of Fair Employment and Housing..... 8,855,000

Schedule:

(a) 50-Administration of Civil Rights Law 9,025,000

(d) Reimbursements ..... —170,000

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Provisions:	
1. The department shall not enter into any contract with the federal government for processing more than 6,000 federal cases, unless the federal government reimburses the department for the full costs of processing every case in excess of 6,000.	
2. The department shall not enter into any contract with the federal government to require the department to resolve any specific number of cases through settlement procedures.	
3. Of the funds appropriated by this item, $200,000 shall be used exclusively for the processing of complaints relating to unlawful discrimination against families with children.	
1700-001-890—For support of Department of Fair Employment and Housing, payable from the Federal Trust Fund	2,079,000
Schedule:	
50-Administration of Civil Rights Laws 2,079,000	
1700-011-001—For expenditure by the Department of Fair Employment and Housing for the sole purpose of repaying a loan made to the department during the 1980–81 fiscal year from the Emergency Fund (Item 491 Budget Act of 1980), the sum of $560,000 is hereby appropriated	($560,000)
1705-001-001—For support of the Fair Employment and Housing Commission	640,000
(a) 100000-Personal Services 539,000	
(b) 300000-Operating Expenses and Equipment 101,000	
1710-001-001—For support of State Fire Marshal	3,706,000
Schedule:	
(a) 100000-Personal Services 5,139,000	
(b) 300000-Operating Expenses and Equipment 2,529,000	
(c) Reimbursements −2,374,000	
(d) Amount payable from the California Fire Services Training and Education Fund (Item 1710-001-198) −365,000	
(e) Amount payable from the Hazardous Liquid Pipeline Safety Fund (Item 1710-001-209) −800,000	
(f) Amount payable from the California Fireworks Licensing Fund (Item 1710-001-199) −423,000	
1710-001-198—For support of the State Fire Marshal, payable from the California Fire Services Training and Education Fund	365,000

Item		Amount
1710-001-199—For support of the State Fire Marshal, payable from the California Fireworks Licensing Fund		423,000
1710-001-209—For support of the State Fire Marshal, payable from the Hazardous Liquid Pipeline Safety Fund		800,000
1730-001-001—For support of Franchise Tax Board		98,640,000
Schedule:		
(a) 100000-Personal Services	78,253,000	
(b) 300000-Operating Expenses and Equipment	22,818,000	
(c) Reimbursements	−2,361,000	
(d) Amount payable from the California Election Campaign Fund (Item 1730-001-905)	−18,000	
(e) Amount payable from the State Children's Trust Fund (Item 1730-001-803)	−13,000	
(f) Amount payable from the Rare Fish, Wildlife, and Plant Species Conservation and Enhancement Account, Fish and Game Preservation Fund (Item 1730-001-201)	−13,000	
(g) Amount payable from the U.S. Olympic Committee Fund (Item 1730-001-800)	−13,000	
(h) Amount payable from the California Seniors Fund (Item 1730-001-983)	−13,000	

Provisions:

1. The Franchise Tax Board shall use the effectiveness criterion of net assessments per dollar cost in its audit selection and resource allocation processes and in reporting accomplishments to the Legislature. The board may use other criteria in evaluating the effectiveness of other aspects of the audit program. The board shall select audits and allocate audit resources solely on the basis of the incremental or marginal net assessments expected to be produced. Nothing in this proviso shall require the board to individually rank each return or preclude the board from conducting sample or discovery audits to the extent necessary.

1730-001-201—For support of Franchise Tax Board, to be transferred to Item 1730-001-001, payable from the Rare Fish, Wildlife, and Plant Species Conservation and Enhancement Account, Fish and Game Preservation Fund	13,000

Item	Amount
1730-001-800—For support of Franchise Tax Board, to be transferred to Item 1730-001-001, payable from the U.S. Olympic Committee Fund	13,000
1730-001-803—For support of Franchise Tax Board, to be transferred to Item 1730-001-001, payable from the State Children's Trust Fund	13,000
1730-001-905—For support of Franchise Tax Board, to be transferred to Item 1730-001-001, payable from the California Election Campaign Fund	18,000
1730-001-983—For support of Franchise Tax Board, to be transferred to Item 1730-001-001, payable from the California Seniors Fund	13,000
1760-001-001—For support of the Department of General Services to be transferred to Item 1760-001-666	7,389,000

Provisions:

1. In addition to the funds available in this item, any amounts received from the sale of the Governor's Budget and related publications funded from this item are available for expenditure.
2. Of the amount appropriated in this item, $323,000 shall not be expended until the Department of Finance notifies the Controller that these funds are necessary in order to provide additional residential security for the Governor.
3. Up to $1,000,000 of the amount appropriated in this item shall be available for security improvements in the State Capitol complex. Notwithstanding Section 6.00, these funds may be used for alterations, support costs, or capital outlay purposes with the written approval of the Director of Finance and the approval of the Joint Rules Committee evidenced by a resolution of the committee.

1760-001-002—For support of the Department of General Services, for activities other than the Office of State Printing, payable from the Property Acquisition Law Account, General Fund	640,000
1760-001-003—For support of Department of General Services for activities other than the Office of State Printing, payable from Motor Vehicle Parking Facilities Moneys Account, General Fund	2,125,000
1760-001-006—For support of Department of General Services for activities other than the Office of State Printing, payable from the Access for Handicapped Account, General Fund	331,000

Item	Amount
1760-001-022—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from State Emergency Telephone Number Account, General Fund	730,000
1760-001-026—For support of the Department of General Services for activities other than the Office of State Printing, payable from the State Motor Vehicle Insurance Account, General Fund	6,124,000
1760-001-120—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from School Building Program Account, Architecture Public Building Fund	997,000
1760-001-122—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from Hospital Plan Checking Account, Architecture Public Building Fund	2,972,000
1760-001-344—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from the State School Building Lease Purchase Fund	1,400,000
1760-001-450—For support of Department of General Services for activities other than the Office of State Printing, payable from the Seismic Gas Valve Certification Fund	69,000
1760-001-465—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from the Energy Resources Programs Account, General Fund	1,053,000
1760-001-494—For augmentation for the state's contribution for the cost of insurance benefits for employees designated as managers by the Department of Personnel Administration	124,000

Provisions:

1. The funds herein appropriated are to be allocated by the Department of Finance to the several offices, departments, boards, bureaus, commissions and other state agencies in augmentation of their respective appropriations for support or for other purposes, in such amount as will make available for each designated manager in the state service, whose compensation, or portion thereof, is chargeable to special funds, to receive any life insurance benefit provided pursuant to

Item Amount

Government Code Section 19849.11.

1760-001-602—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from the Architecture Revolving Fund.... 9,935,000

Provisions:

1. The appropriation from the Architecture Revolving Fund Item 1760-001-602 is for expenditure by the Office of State Architect for the purposes specified in Section 14957 of the Government Code.
2. Any balances in the Architecture Revolving Fund continue to be appropriated by and subject to Section 14957 of the Government Code, and are available for construction and for augmentation of this appropriation. During the 1984–85 fiscal year the Office of State Architect, Department of General Services, shall maintain expenditures for staff to a level commensurate with the funds necessary to maintain a staff sufficient to perform a basic architectural and engineering services workload volume of $52,700,000, as projected to June 30, 1985.
3. Within 60 days of the enactment of this act, notice shall be given to the Joint Legislative Budget Committee of the revisions necessary to the budget of the Department of General Services funded from the Architecture Revolving Fund to reflect the changes made to capital outlay project funding by the Legislature. The Director of Finance shall, pursuant to Section 28 of this act, revise the appropriations contained in this item to coincide with the revisions reported by the department.

1760-001-666—For support of Department of General Services, payable from the Service Revolving Fund 235,608,000

Schedule:

(a)	100000-Personal Services	126,818,000
(b)	300000-Operating Expenses and Equipment	176,197,000
(c)	Amount payable from the General Fund (Item 1760-001-001)	−7,389,000
(d)	Amount payable from the State Emergency Telephone Number Account, General Fund (Item 1760-001-022)	−730,000

Item	Amount
(e) Amount payable from the School Building Program Account, Architecture Public Building Fund (Item 1760-001-120)	−997,000
(e.1) Amount payable from the Hospital Plan Checking Account, Architecture Public Building Fund (Item 1760-001-122)	−2,972,000
(f) Amount payable from the Energy Resources Programs Account, General Fund (Item 1760-001-465)	−1,053,000
(g) Amount payable from the Architecture Revolving Fund (Item 1760-001-602)	−9,935,000
(h) Amount payable from the Surplus Personal Property Revolving Fund (Item 1760-001-688)	−2,491,000
(i) Amount payable from the State School Building Aid Fund (Item 1760-001-739)	−742,000
(j) Amount payable from the Federal Trust Fund (Item 1760-001-890)	−100,000
(k) Amount payable from the State School Deferred Maintenance Fund (Item 1760-001-961)	−318,000
(*l*) Amount payable from the State School Lease Purchase Fund (Item 1760-001-344)	−1,400,000
(m) Distributed services	−40,154,000
(n) Amount payable from the General Fund (Item 1760-031-001)	−126,000
(o) Unallocated	1,000,000

Provisions:

1. From any balance in the Service Revolving Fund, the Director of General Services, with the approval of the Director of Finance, may expend funds in excess of the amount appropriated in this item for the purchase of office copier machines. Any such amounts authorized by the Director of Finance for the purchase of officer copier machines are hereby appropriated from the Service Revolving Fund as a loan to be repaid upon such terms and conditions as prescribed by the Director of Finance.
2. Temporary help and overtime authorizations for the Structural Safety Section shall not be transferred to any other section of the Office of the State Architect, or to any other division of the Department of General Services.

Item Amount

3. No more than $36,711,000 appropriated in this item may be expended for support of the Office of State Printing.
4. Purchase of any equipment for the Office of State Printing, except as provided for in this item, is subject to Section 28 of this act.
5. Any surplus resulting from legislative printing shall be shown as reimbursements to Item 0130-021-001 of this act.
6. The amount appropriated under this item from the Service Revolving Fund shall include transfer of sufficient funds to the Access for Handicapped Account of the General Fund to eliminate the deficit in the account existing on July 1, 1984, as determined by the Department of Finance. No later than December 1, 1984, the Director of Finance shall advise the Chairperson of the Joint Legislative Budget Committee and the chairperson of the fiscal committee in each house of the amount transferred to the account.
7. The Department of General Services, Office of State Architect, shall establish the filing fee for the Office of the State Architect Handicapped Plan Checking activity at a rate which reflects the cost to review individual projects for compliance with handicapped access regulations. No later than December 1, 1984, the Department of General Services shall report to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committee in each house on the filing fee collected and costs incurred for each project which has been reviewed by the Office of State Architect since imposition of the new filing fee rate schedule.
8. None of the funds appropriated in this item may be expended to operate the gasification plant in Sacramento unless the Department of General Services determines that it is economical to do so. The Department of General Services shall report to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees of each house on a quarterly basis beginning October 1, 1984, on the status of the gasification plant and the department's determination of any savings achieved by operation of the gasification plant.

Item Amount

9. The budget for the 1985–86 fiscal year for two program elements of this budget item shall be prepared using a zero-base budget technique. The Department of Finance and the Department of General Services shall select the two program elements.

10. Of the amount appropriated in category (b), $100,000 is available as needed exclusively for funding a management study of the Office of Procurement. The Department of General Services shall prepare a Request for Proposal (RFP) for a thorough management study of the administration of the Office of Procurement. The RFP shall be reviewed and approved by Department of Finance, the Joint Legislative Budget Committee, and the legislative fiscal committees. The study shall include, but need not be limited to, an analysis of, and recommendations for, improving the effectiveness and efficiency of the following aspects of the office's administration and operation:

(a) Management:
  (1) Function.
  (2) Commitment authority.
  (3) Procedures for making and implementing decisions.

(b) Staffing:
  (1) Total personnel years.
  (2) Position levels.
  (3) Function.

(c) Data Processing:
  (1) Data Systems.
  (2) Bid sourcing.
  (3) Purchase order tracking.

The Department of General Services shall include in the specifications of the RFP that the contractor shall submit a preliminary report to the Department of Finance, the Department of General Services, the Joint Legislative Budget Committee, and the legislative fiscal committees by December 31, 1984, and a final report to the Department of General Services, the Department of Finance, the Joint Legislative Budget Committee, and the legislative fiscal committees by January 31, 1985.

Item	Amount
1760-001-688—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from the Surplus Personal Property Revolving Fund	2,491,000
1760-001-739—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from the State School Building Aid Fund	742,000
1760-001-890—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from the Federal Trust Fund	100,000
1760-001-961—For support of Department of General Services for activities other than the Office of State Printing, to be transferred to Item 1760-001-666, payable from the State School Deferred Maintenance Fund	318,000
1760-001-988—For augmentation for the state's contribution for the cost of insurance benefits for employees designated as managers by the Department of Personnel Administration	104,000

Provisions:

1. The funds herein appropriated are to be allocated by the Department of Finance to the several offices, departments, boards, bureaus, commissions and other state agencies in augmentation of their respective appropriations for support or for other purposes, in such amount as will make available for each designated manager in the state service, whose compensation, or portion thereof, is chargeable to nongovernmental cost funds, to receive any life insurance benefit provided pursuant to Government Code Section 19849.11.

1760-011-666—For augmentation of the Service Revolving Fund, to be transferred by the State Controller in such amounts and at such times as funds are made available. Upon approval of the State Board of Control, the State Controller shall transfer to this item from any appropriation made from the General Fund, or any special fund, by the provisions of this act that part of such appropriation which is intended to be used and is available, for the purchase or replacement of automobiles and reproduction equipment, and provided, any funds in the Service Revolving Fund may be used to purchase equipment from the General Fund or special funds

Item		Amount
of the State at the depreciated value at the time of purchase payable at the option of the Service Revolving Fund over the remaining depreciation period.		
1760-021-001—For augmentation for the state's contribution for the cost of insurance benefits for employees designated as managers by the Department of Personnel Administration		214,000
Provisions:		
1. The funds herein appropriated are to be allocated by the Department of Finance to the several offices, departments, boards, bureaus, commissions and other state agencies in augmentation of their respective appropriations for support or for other purposes, in such amount as will make available for each designated manager in the state service, whose compensation, or portion thereof, is chargeable to the General Fund, to receive any life insurance benefit provided pursuant to Government Code Section 19849.11.		
1760-031-001—For support of the Department of General Services for purchase of vehicles for the Legislature to be transferred to Item 1760-001-666		126,000
1760-101-022—For local assistance, Department of General Services, for reimbursement of local agencies and service suppliers or communications equipment companies for costs incurred pursuant to Sections 41137, 41137.1, 41138, and 41140 of the Revenue and Taxation Code, payable from the State Emergency Telephone Number Account, General Fund		31,745,000
1760-301-036—For capital outlay, Department of General Services, payable from the Special Account for Capital Outlay		10,999,000
Schedule:		
(1) Minor projects	59,000	
(2) Statewide Space Planning	107,000	
(3) Sacramento-Fire and life safety modifications	2,757,000	
(a) OB 8-construction 682,000		
(b) OB 9-construction 791,000		
(c) EDD building-construction 1,284,000		
(4) Statewide elevator modifications-planning for seismic safety modifications	7,000	
(5) Sacramento-preliminary plans for HVAC System for Justice Building	11,000	

Item	Amount
(6) San Francisco-preliminary plans for old San Francisco Office Building (backfill project)	171,000
(7) Sacramento-acquisition, preliminary plans, working drawings, and construction for Sacramento parking garage	5,878,000
(8) Sacramento-preliminary plans for Site 4	500,000
(9) Sacramento-preliminary plans for Site 1D	87,000
(10) Sacramento-preliminary plans for Site 5	525,000
(11) Statewide elevator modifications —construct seismic safety modifications	897,000

Provisions:

1. Notwithstanding the provisions of Section 2.00 of this act, the funds appropriated in category (2) of this item shall be available for expenditure during the 1984–85 and 1985–86 fiscal years.
2. Any savings which remain following completion of any individual project in category (3) may be transferred to any other project in category (3) where additional funds are required to complete the project.
3. No part of the funds allocated in this item may be used for the planning or construction of a parking garage on the blocks bound by 14th, 15th, "N" and "O" streets or 15th, 16th, "L" and "N" streets in Sacramento.
4. The operation of the garage funded under category (7) of this item shall be under the direct control of the Legislature.

1760-311-036—For capital outlay, Department of General Services, replacement of PCB-contaminated equipment, payable from the Special Account for Capital Outlay 2,333,000

Provisions:

1. The funds in this item shall be available for expenditure only to comply with final regulations adopted by the Environmental Protection Agency concerning PCB items located in mechanical equipment/switch-gear rooms.

1760-321-036—For capital outlay, Department of General Services, payable from the Special Account for Capital Outlay 580,000

Item Amount

Schedule:

(2) Statewide—Replacement and repair leaking PCB fluids 480,000

(3) Statewide—On-site PCB storage facilities 100,000

Provisions:

1. The funds in category (2) shall not be available for expenditure until the Department of General Services reports to the Legislature on how the disposal of PCB items under this item will be coordinated with other PCB disposal activities planned by the department.

1760-490—Reappropriation, Department of General Services. Notwithstanding any other provisions of law, the unencumbered balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes provided for in the appropriations, and shall be available for expenditure until June 30, 1985:

036—Special Account for Capital Outlay

(1) Item 1760-311-036, Budget Act of 1983—Replacement of PCB-contaminated equipment.

Provisions:

1. The funds reappropriated under this item shall not be available for expenditure until the Department of General Services submits a report to the Legislature describing the reasons for delays in this project.

1880-001-001—For support of State Personnel Board.... 21,722,000

Schedule:

(a) 10-Merit System Administration .. 21,729,000

(b) 20-Appeals 2,167,000

(c) 40-Local Government Services 1,217,000

(d) 50.01-Administrative Services..... 3,879,000

(e) 50.02-Distributed Administrative Services ..... −3,765,000

(f) Reimbursements..... −3,505,000

Provisions:

1. None of the funds specified in Program 10 for the jobs program, exclusive of COD participants who are clients of the Department of Rehabilitation, shall be used for defraying the payroll cost of a participant unless the employer of the participant pays at least 20 percent of such payroll cost.

Item Amount

2. To maximize the use of federal funds in the state, the State Personnel Board shall enter into an agreement with the Department of Rehabilitation for transfer of $1,687,000 of the funds appropriated in category (a), which the department shall use to match available Rehabilitation "110" federal funds; provided further, that the interagency agreement shall require the Department of Rehabilitation to purchase on-the-job training services from the State Personnel Board in the amount of $1,687,000, to be paid from these matched funds, and to provide the State Personnel Board $345,000 of these matched funds to support administrative activities and related costs in the board's disabled unit.
3. Salary increases for trainees in the career opportunities development program shall be equivalent to such increases granted state civil service employees of similar classifications within the same bargaining unit for the 1984–85 fiscal year.
4. The State Personnel Board may receive unbudgeted reimbursements from state agencies pursuant to interagency agreements for the provision of additional personnel services only upon approval of the Director of Finance and notification to the Legislature pursuant to the provisions of Section 28, except for reimbursements for which funding originates from nonstate sources.

1880-001-677—For support of State Personnel Board, Program 40-Local Government Services, payable from the Cooperative Personnel Services Revolving Fund 1,151,000

1900-001-001—For support of Board of Administration of the Public Employees' Retirement System 59,000

Schedule:

(a) 10-Retirement 24,000
(b) 20-Social Security 35,000

1900-001-815—For support of Board of Administration of the Public Employees' Retirement System, Program 10-Retirement, payable from the Judges' Retirement Fund 212,000

Provisions:

1. The appropriation made by this item is for support of the Board of Administration in accordance with Section 75108 of the Government Code.

Item	Amount
1900-001-820—For support of Board of Administration of the Public Employees' Retirement System, Program 10-Retirement, payable from the Legislators' Retirement Fund	151,000
Provisions:	
1. The appropriation made by this item is for support of the Board of Administration in accordance with Section 9354 of the Government Code.	
1900-001-830—For support of Board of Administration of the Public Employees' Retirement System, payable from the Public Employees' Retirement Fund	29,177,000
Schedule:	
(a) 10-Retirement 27,850,000	
(b) 20-Social Security 573,000	
(c) 40-PERS System Redesign Project 882,000	
(d) 50.01-Administration 15,865,000	
(e) 50.02-Distributed Administration.. −15,191,000	
(f) Reimbursements ..... −802,000	
Provisions:	
1. Of the funds appropriated in this item, $1,001,000 appropriated for implementation of the recommendations contained in the final management report by Price-Waterhouse shall be available for expenditure no sooner than 30 days, or no sooner than a lesser time which the chairperson or his or her designee may determine, after the PERS submits to the Joint Legislative Budget Committee a detailed expenditure plan for the $1,001,000.	
1900-001-950—For support of Board of Administration of the Public Employees' Retirement System, payable from the Public Employees' Contingency Reserve Fund	2,634,000
Schedule:	
(a) 10-Retirement 7,000	
(b) 30-Health Benefits 2,647,000	
(c) Reimbursements ..... −20,000	
Provisions:	
1. The appropriation made by this item is for support of the Board of Administration pursuant to Section 22840 of the Government Code.	
1900-001-962—For support of Board of Administration of the Public Employees' Retirement System, Program 10-Retirement, payable from the Volunteer Firefighters Length of Service Award System Fund	63,000
1920-001-835—For support of State Teachers' Retirement System, payable from the State Teachers' Retirement Fund	12,595,000

Item		Amount
Schedule:		
(a) 100000-Personal Services	8,375,000	
(b) 300000-Operating Expenses and Equipment	4,637,000	
(c) Reimbursements	−258,000	
(d) Amount payable from the Teacher Tax Sheltered Annuity Fund (Item 1920-001-963)	−62,000	
(e) Amount payable from the Retirees' Purchasing Power Protection Account in the State Teachers' Retirement Fund pursuant to Section 24701 of the Education Code	−97,000	
Provisions:		
1. The amount budgeted for reimbursements shall be reviewed during March 1985 by the Department of Finance, based on actual reimbursements received by the State Teachers' Retirement System through the end of February 1985, and shall be adjusted by the Department of Finance for such actual experience, to the extent that the annualized amount based on actual reimbursements exceed the budgeted amount, with a corresponding reduction in the appropriation from the State Teachers' Retirement Fund.		
1920-001-963—For support of State Teachers' Retirement System, to be transferred to Item 1920-001-835 payable from the Teacher Tax Sheltered Annuity Fund		62,000
Provisions:		
1. This appropriation is for costs incurred in operating the tax-sheltered annuity program pursuant to Section 22231 of the Education Code.		
1960-001-001—For support of Department of Veterans Affairs		2,140,000
Schedule:		
(a) 100000-Personal Services	2,265,000	
(b) 300000-Operating Expenses and Equipment	391,000	
(c) Educational Assistance to Veterans' Dependents	459,000	
(d) Amounts payable from the Veterans' Farm and Home Building Fund of 1943 (Item 1960-001-592)	−813,000	
(e) Reimbursements	−124,000	

Item	Amount
(f) Amounts payable from the California National Guard Farm and Home Building Fund of 1978.....	−38,000

Provisions:

1. Expenditures pursuant to Schedule (c) are for educational assistance to veterans' dependents, Department of Veterans Affairs, to be expended under the provisions of Sections 890 through 899 of the Military and Veterans Code provided, that no funds appropriated by this item, except as specified, may be expended to provide financial assistance for the education of dependents of non-California veterans killed or totally disabled as a result of active military service and of non-California servicemen currently missing in action.
2. This restriction shall not apply to dependents receiving such financial assistance in, or prior to, fiscal year 1978–79. Provided further, that "non-California veteran" means persons not meeting the requirements of Section 980 of the Military and Veterans Code.
3. No funds shall be expended for educational assistance program grants to persons whose family incomes exceed the following limits:
   (a) $25,000 for three or fewer family members.
   (b) $27,000 for four family members.
   (c) $29,000 for five family members.
   (d) $31,000 for six or more family members.
   (e) $33,000 for three or more family members, if at least two members are attending college.

   As used in this provision, the term "family member" shall include only the dependent applicant; the parents, either natural or adoptive, of the dependent applicant; the dependent brothers and sisters, either natural or adoptive, of the dependent applicant; the spouse of the dependent applicant, if married; and any other persons who are dependent upon the family income for more than 50 percent of their support. The term "family income" shall include only the income of the dependent applicant; the parents, either natural or adoptive, of the dependent applicant; and, if married, the spouse of the dependent applicant; and shall mean "adjusted gross income" as that term is defined in Section 17072 of the Revenue and Taxation Code.

Item Amount

4. If AB 3443 of the 1983–84 Regular Session, relating to Agent Orange, is enacted, then $50,000 of this item shall be redirected, without adversely affecting other programs, to be used exclusively for purposes specified in Section 698 of the Military and Veterans Code regarding services to Vietnam veterans and others who may have been exposed to toxic herbicides while serving in Vietnam.

1960-001-592—For support of Department of Veterans' Affairs to be transferred to Item 1960-001-001 payable from the Veterans' Farm and Home Building Fund of 1943 813,000

1960-101-001—For local assistance, Department of Veterans Affairs, for contribution to counties toward compensation and expenses of county service officers, to be expended in accordance with Section 972 of the Military and Veterans Code 1,000,000

1970-011-001—For support of Veterans' Home of California 17,934,000

Schedule:

(a) 30-Care of Sick and Disabled Veterans 21,753,000

(b) Reimbursements ..... −3,819,000

Provisions:

1. This appropriation shall be reduced by the amount of any federal funds received in excess of $11,126,000 appropriated by Item 1970-011-890 in a manner prescribed by the Department of Finance, unless expenditure of these funds is authorized by the Department of Finance. This authorization shall not become effective sooner than 30 days after notification, in writing, of the Joint Legislative Budget Committee or a lesser time, which the chairman of the committee or his or her designee may, in each instance, each instance, determine.
2. Notwithstanding provision 1, this appropriation shall be reduced by any funds up to $720,000 received pursuant to accelerated billing following implementation of the automated financial information system in a manner prescribed by the Department of Finance.
3. Any reduction to this appropriation as a result of the receipt of additional federal funds pursuant to provision 1 or 2 above shall be allocated on the basis of 85 percent General Fund and 15 percent reimbursement.

Item	Amount
1970-011-890—For support of Veterans' Home of California, Program 30, payable from the Federal Trust Fund	11,126,000

Provisions:

1. Any reimbursements of federal funds received by the Veterans' Home of California in excess of the amounts set forth in this item shall revert to the unappropriated surplus of the General Fund in a manner prescribed by the Department of Finance, unless expenditure of such funds is authorized by the Department of Finance. Such authorization shall not become effective sooner than 30 days after notification in writing of the Joint Legislative Budget Committee or such lesser time as the committee or its designee may, in each instance, determine.

1970-301-036—For capital outlay, Veterans' Home of California, Department of Veterans Affairs payable from the Special Account for Capital Outlay	3,967,000

Schedule:

(1) 80.90-Minor Projects	438,000
(2) 80.20.010-Construct Hospital Addition-Acute Care Facility	2,617,000
(3) 80.20.020-Preliminary plans and working drawings for air conditioning in the Hospital Addition-Acute Care Facility	58,000
(4) 80.30.010-Preliminary plans and working drawings to remodel Section A (Domiciliary)	188,000
(5) 80.30.030-Preliminary plans and working drawings to remodel Section C (Domiciliary)	185,000
(6) 80.30.040-Working drawings to remodel Section D (Domiciliary)	73,000
(7) 80.30.060-Preliminary plans to correct code deficiencies in Section F	84,000
(8) 80.40.030-Preliminary plans, working drawings and construction to redesign and install storm drainage system	324,000

Provisions:

1. The funds in category (3) shall not be expended unless the department has notified the Department of Finance that the Third Party Cogeneration Project will not provide a cooling system for the Hospital Addition-Acute Care Facility provided in Category 2.

Item Amount

2. No contract for construction of any project related to the Department of Veterans Affairs' master plan shall be entered into prior to the department obtaining a written commitment from the federal government to fund either 65 percent of the project cost as approved by the federal government or the maximum amount available to the State.
3. The funds in category (2) for construction of the Hospital Addition, Acute Care Facility, shall revert to the unappropriated balance in the Special Account for Capital Outlay if the federal government does not provide the maximum amount of federal funds available to the State for this project.
4. The funds for working drawings in categories (4), (5), and (6) shall not be allocated sooner than 30 days after the Department of Veterans Affairs has submitted completed preliminary plans to the chairperson of the fiscal committee of each house and the Chairperson of the Joint Legislative Budget Committee.

1970-301-890—For capital outlay, Veterans' Home of California, Department of Veterans Affairs payable from the Federal Trust Fund 6,185,000

Schedule:

(1) 80.20.010-Construct Hospital Addition-Acute Care Facility 6,185,000

BUSINESS, TRANSPORTATION AND HOUSING

2100-001-001—For support of Department of Alcoholic Beverage Control 14,600,000

Schedule:

(a) 10.10-Licensing 9,783,000
(b) 10.20-Compliance 5,267,000
(c) 10.30.010-Administration 1,901,000
(d) 10.30.020-Distributed Administration ..... −1,901,000
(e) Reimbursements ..... −450,000

2120-001-117—For support of Alcoholic Beverage Control Appeals Board, Program 10, payable from the Alcoholic Beverage Control Appeals Fund 225,000

Provisions:

1. The $21,600 provided in this item for board members shall not be used to pay claims for days worked by members after the effective date of any law which provides salaries for board members.

Item		Amount
2120-011-117—For support of Alcoholic Beverage Control Appeals Board, to be transferred to the General Fund for repayment of the loan, and interest thereon, made by Item 2120-001-001, Budget Act of 1982, payable from the Alcoholic Beverage Control Appeals Fund		90,000
2140-001-136—For support of State Banking Department, payable from the State Banking Fund		7,768,000
Schedule:		
(a) 100000-Personal Services	6,229,000	
(b) 300000-Operating Expenses and Equipment	1,700,000	
(c) Reimbursements	−100,000	
(d) Amount payable from the Local Agency Deposit Security Fund (Item 2140-001-240)	−61,000	
2140-001-240—For support of State Banking Department, payable from the Local Agency Deposit Security Fund		61,000
2180-001-001—For support of Department of Corporations		7,626,000
Schedule:		
(a) 100000-Personal Services	11,967,000	
(b) 300000-Operating Expenses and Equipment	2,779,000	
(c) Reimbursements	−7,120,000	

Provisions:

1. Notwithstanding the provisions of Section 1382 of the Health and Safety Code, any payments received pursuant to that section shall be credited to this item as reimbursements and are hereby appropriated for the purposes of this item.
2. The department shall submit a report to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the fiscal committees of the Legislature, and the Director of Finance by December 1, 1984, evaluating the cost-effectiveness of the department's proposed computer-assisted legal research system. Based on the results of the report, one attorney position shall be limited-term and shall be deleted on December 31, 1984, unless the department can justify retaining the position for the last half of the 1984–85 fiscal year.
3. The department shall follow the proposed staffing plan for its Lender Fiduciary Program in the 1984–85 fiscal year, as outlined in the Governor's Budget.

Item Amount

4. The department shall schedule the Program 30 —Health Care Service Plan Program in the following manner:

Health Care Service Plan Program		1,759,000
(a) Licensing element	868,000	
(b) Financial element	377,000	
(c) Medical element ..	207,000	
(d) Enforcement element	307,000	

5. The budget for the Health Care Service Plan Program in the 1985–86 fiscal year shall be prepared using a zero-based budgeting approach. A report using a zero-based budgeting approach shall be submitted to the chairpersons of the fiscal committees of the Legislature and the Chairperson of the Joint Legislative Budget Committee by December 1, 1984.

6. (a) On or before September 1, 1984, the department shall revise the medical survey procedures to provide in-depth, on-site surveys, which shall include a review of patient records in a manner which shall ensure confidentiality.

   (b) On or before September 1, 1984, the department shall develop a timetable of its plans to reduce the backlog of surveys in order to meet the statutory requirement of conducting surveys every 5 years.

   (c) The department shall provide quarterly reports to the Joint Legislative Budget Committee on the surveys conducted in the previous quarter. These reports shall compare the amount of actual work completed to the amount of work required in the timetable developed pursuant to subdivision (b).

   (d) The Governor may impose sanctions, including but not limited to, withholding the salary of the director of the department for any month in which the reporting and survey requirements are not met, for failure to meet the reporting and survey requirements.

2200-001-001—For support of Department of Economic and Business Development.....		12,834,000
Schedule:		
(a) 10-Business and Industrial Development	2,493,000	
(b) 30-Tourism	2,865,000	

Item	Amount
(c) 40-Local Economic Development	691,000
(d) 50-Small Business Development ..	6,125,000
(e) 60-Economic Planning Policy and Research	889,000
(f) 70.01-Administration	976,000
(g) 70.02-Distributed Administration	−976,000
(h) Reimbursements	−229,000

Provisions:

1. Of the amount appropriated in category (d) for support of the Office of Small Business Development, $3,773,000 shall be for transfer to the Small Business Expansion Fund.
2. Of the amount appropriated in category (d) for support of the Office of Small Business Development, up to $185,000 shall be for administrative support, $750,000 shall be for loan guarantees to support a new regional corporation in San Francisco, and $400,000 shall be for transfer to the Small Business Development Center Fund.
3. None of the funds appropriated for acquisition of office automation equipment shall be expended until the Office of Information Technology of the Department of Finance has reviewed and approved the Feasibility Study Report for the program. This report shall assess and compare the cost-effectiveness of office automation alternatives, including, but not limited to, integrated officewide information management systems and decentralized stand-alone systems.
4. Of the amount appropriated in category (a) for support of the Office of Business and Industrial Development, $1,500,000 for an industrial marketing and advertising program shall be made available only if AB 2417 of the 1983–84 Regular Session is chaptered.
5. Of the amount appropriated in category (b) for support of the Office of Tourism, $2,000,000 for a tourism marketing and advertising program shall be made available only if SB 1061 of the 1983–84 Regular Session is chaptered and shall be expended in accordance with the criteria established in SB 1061.
6. None of the moneys appropriated for the tourism marketing program in category (b) shall be used to purchase any media advertisements that feature the name or image of any elected official.

Item		Amount
2200-001-801—For state operations, Department of Economic and Business Development, Program 50, Office of Small Business Development, payable from the Small Business Development Center Fund		400,000
Provisions:		
1. None of the funds appropriated for EDP costs in this item shall be expended until the Department of Finance's State Office of Information Technology (SOIT) has reviewed and approved a feasibility study report for this program.		
2200-001-890—For support of Department of Economic and Business Development, payable from the Federal Trust Fund		167,000
Schedule:		
(a) 10-Office of Business and Industrial Development.....	25,000	
(b) 40-Office of Local Economic Development	68,000	
(c) 50-Office of Small Business Development	22,000	
(d) 60-Office of Economic Planning Policy and Research Development	52,000	
2200-101-890—For local assistance, Department of Economic and Business Development, payable from the Federal Trust Fund.....		2,050,000
Schedule:		
(a) 40-Office of Local Economic Development	900,000	
(b) 50-Office of Small Business Development	1,150,000	
2200-101-922—For local assistance, Department of Economic and Business Development, Program 40, Office of Local Economic Development, payable from the California Economic Development Grant and Loan Fund		1,200,000
2230-001-215—For support of California Industrial Development Financing Advisory Commission, payable from the Industrial Development Fund ..		273,000
2240-001-001—For support of Department of Housing and Community Development		5,077,000
Schedule:		
(a) 10-Codes and Standards Program	1,574,000	
(b) 20-Community Affairs Program ..	6,994,000	
(c) 30.01-Research and Policy Development Program	1,048,000	
(d) 50.01-Administration.....	5,705,000	
(e) 50.02-Distributed Administration..	−5,705,000	
(f) Reimbursements.....	−4,539,000	

Item	Amount
Provisions:	
1. As provided under Sections 33080, 34328.1, 50406, and 50460 of the Health and Safety Code, reimbursements shall be collected from local housing authorities and redevelopment agencies by the Department of Housing and Community Development for support of activities related to the compilation and publication of legislatively mandated reports.	
2240-001-245—For support of Department of Housing and Community Development, Program 10—Codes and Standards, payable from the Mobilehome Parks Revolving Fund	1,927,000
2240-001-451—For support of Department of Housing and Community Development, Program 10—Codes and Standards, payable from the Mobilehome and Commercial Coach License Fee Account, General Fund	1,684,000
2240-001-635—For support of Department of Housing and Community Development, Program 20—Community Affairs, payable from the Housing Predevelopment Loan Fund	189,000
2240-001-648—For support of Department of Housing and Community Development, Program 10—Codes and Standards, payable from the Mobilehome-Manufactured Home Revolving Fund	9,686,000
2240-001-890—For support of Department of Housing and Community Development, Program 20—Community Affairs, payable from the Federal Trust Fund	836,000
2240-001-925—For support of Department of Housing and Community Development, Program 20—Community Affairs, payable from the Land Purchase Fund	37,000
2240-001-929—For support of Department of Housing and Community Development, Program 20—Community Affairs, payable from the Housing Rehabilitation Loan Fund	410,000
2240-001-936—For support of Department of Housing and Community Development, Program 20—Community Affairs, payable from the Homeownership Assistance Fund	228,000
2240-001-938—For support of Department of Housing and Community Development, Program 20—Community Affairs, payable from the Rental Housing Construction Fund	340,000

Item	Amount
2240-001-980—For support of Department of Housing and Community Development, Program 20—Community Affairs, payable from the Urban Housing Development Loan Fund	84,000
2240-011-001—For support of Department of Housing and Community Development, for housing assistance for the disabled, as provided in Section 50689 of the Health and Safety Code	50,000
2240-101-001—For local assistance, Department of Housing and Community Development, Program 20—Community Affairs	6,900,000
Provisions:	
1. Of the amount appropriated by this item, $2,500,000 shall be available for transfer to the Farmworker Housing Grant Fund (927).	
2240-101-635—For local assistance, Department of Housing and Community Development, Program 20—Community Affairs, payable from the Housing Predevelopment Loan Fund	2,025,000
2240-101-890—For local assistance, Department of Housing and Community Development, Program 20—Community Affairs, payable from the Federal Trust Fund	40,027,000
2240-101-925—For local assistance, Department of Housing and Community Development, Program 20—Community Affairs, payable from the Land Purchase Fund	386,000
2240-101-927—For local assistance, Department of Housing and Community Development, Program 20—Community Affairs, payable from the Farmworker Housing Grant Fund	2,500,000
2240-101-929—For local assistance, Department of Housing and Community Development, Program 20—Community Affairs, payable from the Housing Rehabilitation Loan Fund	376,000
2240-101-936—For local assistance, Department of Housing and Community Development, Program 20—Community Affairs, payable from the Homeownership Assistance Fund	2,000,000
2240-101-938—For local assistance, Department of Housing and Community Development, Program 20—Community Affairs, payable from the Rental Housing Construction Fund	1,866,000
2240-101-942—For local assistance, Department of Housing and Community Development, Program 20—Community Affairs, payable from the Special Deposit Fund	800,000

Item		Amount
2240-101-980—For local assistance, Department of Housing and Community Development, Program 20—Community Affairs, payable from the Urban Housing Development Loan Fund		2,625,000
2270-001-457—For support of California Mortgage Bond Allocation Committee, payable from the Mortgage Bond Allocation Fee Account, General Fund		15,000
2290-001-217—For support of Department of Insurance, payable from the Insurance Fund		17,913,000
Schedule:		
(a) 10-Regulation of Insurance Companies and Insurance Producers	16,934,000	
(b) 20-Fraud Control	831,000	
(c) 30-Tax Collection and Audit	148,000	
(d) 40.01-Administration	4,002,000	
(e) 40.02-Distributed Administration	−4,002,000	
Provisions:		
1. Pursuant to paragraph (3) of subdivision (a) of, and subdivision (c) of, Section 12975.8 of the Insurance Code, the balance remaining in the Insurance Fund at the end of the 1983–84 fiscal year shall be carried forward to the 1984–85 fiscal year to the extent necessary to cover expenditures and cash flow needs. Any remaining funds which are surplus to cash flow needs shall revert to the General Fund.		
2320-001-317—For support of Department of Real Estate, payable from the Real Estate Fund		18,417,000
Schedule:		
(a) 100000-Personal Services	12,148,000	
(b) 300000-Operating Expenses and Equipment	4,837,000	
(c) Education and Research	672,000	
(d) Recovery Act	1,000,000	
(e) Reimbursements	−240,000	
Provisions:		
1. The Director of Finance may authorize the expenditure of $295,000 appropriated by this item for the establishment of 10 personnel years of temporary help only after written notification of the necessity is given to the Chairperson of the Joint Legislative Budget Committee.		
2. The $472,000 appropriated for education and research shall not be expended unless the department utilizes competitive bidding procedures for the awarding of all contracts and unless the department develops a list of proposed education and research projects indicating the need		

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and estimated expenditures for these activities, and submits this list to the Director of Finance and the Chairperson of the Joint Legislative Budget Committee on or before September 1, 1984.

3. Of the $200,000 appropriated to the department from the Education and Research Account to support the real estate centers at the University of California at Berkeley and Los Angeles, $100,000 shall not be available for expenditure until the Department of Real Estate submits, by November 15, 1984, to the Chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, a report consisting of the following: (1) a report on past activities and a plan for the University of California's real estate centers regarding access to and dissemination of real estate related research information and studies to the state university system, community colleges, real estate licensees and licensee trainees, and other interested institutions and parties and (2) the department's planned alternatives and recommendations for providing increased funding and resources to community colleges for real estate license education and training.

2320-495—Reversion, Department of Real Estate. Notwithstanding any other provisions of law, as of June 30, 1984, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:

317—Real Estate Fund

(1) Item 232-001-317(c), Budget Act of 1982—Education and Research, provided that the amount reverted shall be 472,000

2320-496—Reversions, Department of Real Estate. As of June 30, 1984, the unexpended balance of the $200,000 and accrued interest thereon, provided to the Student Aid Commission pursuant to subdivision (c) of Section 10465.2 of the Business and Professions Code shall revert to the Real Estate Fund.

2340-001-337—For support of Department of Savings and Loan, payable from the Savings Association Special Regulatory Fund 4,260,000

Schedule:

(a) 100000-Personal Services 3,242,000

Item		Amount
(b) 300000-Operating Expenses and Equipment	1,018,000	
Provisions:		
1. No funds appropriated by this item shall be expended unless the department establishes procedures to assure that it will be fully reimbursed for the cost of providing employee parking during the 1984–85 fiscal year.		
2600-001-042—For support of California Transportation Commission, Program 10, payable from the State Highway Account, State Transportation Fund		117,000
2600-001-046—For support of California Transportation Commission, Program 10, payable from the Transportation Planning and Development Account, State Transportation Fund		956,000
Provisions:		
1. Of the $234,000 appropriated for consulting and professional services, the California Transportation Commission shall, not less than 30 days prior to expending funds for any contract over $10,000, notify the chairpersons of the fiscal committees and the Joint Legislative Budget Committee. This notification shall include a statement as to the objective of the contract, a summary discussion of the work to be performed, and the time requirements and various cost elements for the contracted services.		
2660-001-041—For support of Department of Transportation, Program 10—Aeronautics, payable from the Aeronautics Account, State Transportation Fund		1,813,000
2660-001-042—For support of Department of Transportation, payable from the State Highway Account, State Transportation Fund		682,538,000
Schedule:		
(a) 20-Highway Transportation	682,429,000	
20.10-Rehabilitation	(45,609,000)	
20.20-Operational Improvements	(60,284,000)	
20.30-Local Assistance	(6,814,000)	
20.40-Program Development	(3,408,000)	
20.50-New Facilities	(86,911,000)	
20.60-Administration	(84,324,000)	
20.70-Operations	(43,288,000)	
20.80-Maintenance	(351,791,000)	
(1) 20-Total Highway Transportation	691,516,000	
(2) Reimbursements	−9,087,000	
(b) 30-Mass Transportation	109,000	
(c) 50—Administration		

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50.01-Undistributed Administration.....294,745,000
50.02-Distributed Administration.....294,745,000

Provisions:

1. For Program 20—Highways, up to 10 percent of any of the amounts scheduled within the program as appropriated from the State Highway Account, State Transportation Fund, Item 2660-001-042, may be transferred to Item 2660-101-042 or Item 2660-301-042 as authorized under the provisions of Section 168 of the Streets and Highways Code.
2. For Program 20—Highway funds appropriated by this item shall be available for support of those projects which have been included in a State Transportation Improvement Plan adopted by the California Transportation Commission.
3. For Program 20—The department shall notify the chairperson of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee at least 20 days prior to spending funds to expand activities above budgeted levels or to implement a new activity not identified in the budget, including any such expenditures to be funded through a transfer of money from other expenditure categories or programs, except in the case of emergency snow or storm damage work increases.
4. For Program 20—The amount spent for implementing the Computer Aided Design and Drafting (CADD) system shall not exceed that amount approved by the State Office of Information Technology (SOIT) in its review of the amended Feasibility Study Report (FSR). The amount approved by SOIT is hereby authorized for expenditure. Any amounts left in the appropriations for that purpose shall revert to the State Highway Account. Any approved amount in excess of the appropriation is authorized for expenditure no sooner than 30 days after the Director of Finance has notified the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees, and when the proper funding is secured.

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5. For Program 20—$2,700,000 appropriated in this item shall be expended only for the necessary equipment to implement a distributed data processing project (a) only after the State Office of Information Technology has reviewed and approved a feasibility study report for the statewide implementation of the project and (b) no sooner than 30 days after the Director of Finance has notified the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees, and submitted the Feasibility Study Report for committee review. The report shall address, among other things, (a) the extent of potential equipment redundancy resulting from the implementation of various computer automation projects within the department, (b) the equipment and personnel needs of all districts as a whole to implement the project, and (c) the impact of the project on the financing and operation of the Teale Data Center.
6. For Program 20—The Department of Transportation shall review its current policy for placement of freeway and highway directional signing and shall report to the Legislature by September 1, 1984, with any appropriate recommendations for change. The policy shall be reviewed by the Transportation Committees in the Assembly and the Senate, and, upon completion of such review, shall be enforced by the department in a fair and equitable manner consistent with unique community circumstances.
7. For Program 20—The department shall take steps to locate a toxic and hazardous substances cleanup response team in the Santa Barbara area.

2660-001-045—For support of Department of Transportation, Program 20—Highway Transportation, payable from the Bicycle Lane Account, State Transportation Fund 10,000

2660-001-046—For support of Department of Transportation, payable from the Transportation Planning and Development Account, State Transportation Fund 28,665,000

Schedule:

(a) 30-Mass Transportation 21,346,000

(1) 30-Total Mass Transportation 41,854,000

Item			Amount
	(2) Reimbursements	−20,124,000	
	(3) Reimbursements-Section 7204.4 of the Revenue and Taxation Code	−384,000	
(b)	40-Transportation Planning		7,319,000
	(1) 40-Total Transportation Planning.....	9,613,000	
	(2) Reimbursements ..	−2,294,000	

Provisions:

1. Notwithstanding any other provisions of law, the Department's Transit Management Assistance and State Transit Assistance activities, which are not payable from federal funds, shall be payable from the funds made available pursuant to Section 99312 of the Public Utilities Code.
2. For Program 30—$12,828,000 of the funds appropriated in this item shall be allocated by the California Transportation Commission pursuant to Section 99316 of the Public Utilities Code.
3. For Program 30—No funds appropriated to prepare project reports or perform engineering work to rehabilitate commuter rail stations between San Francisco and San Jose shall be spent unless sufficient funds are available in Item 2660-101-046 for allocation by the California Transportation Commission for transit capital improvements to finance the rehabilitation projects according to the priority list adopted pursuant to Section 99318.2 of the Public Utilities Code.

   If sufficient funds are not made available, the project report and engineering funds shall not be spent for any other purpose and shall revert to the unappropriated surplus of the Transportation Planning and Development Account in the State Transportation Fund.
4. For Program 30—Of the amount of funds available in this item, a total of $50,000 shall be granted under contract by the Department to the San Bernardino Associated Governments to perform a financial and preliminary engineering feasibility study on an aerial bus transit system in the San Bernardino Mountains. This grant shall be made available only if San Bernardino Associated Governments can match these funds with at least $150,000 in local or federal funds of

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their own.

2660-001-047—For support of Department of Transportation, Program 30—Mass Transportation, payable from the Abandoned Railroad Account, State Transportation Fund 96,000

2660-001-140—For support of the Department of Transportation, Program 20, Highway Transportation, payable from the California Environmental License Plate Fund 350,000

Provisions:

1. The department shall spend up to $350,000 for support of the Advanced Methanol Engine Research Project. The funds appropriated for this project are for purposes of contracting for Phase 1 of a planned three-phase project for the research and development of advanced methanol engine technology, with the objective of influencing future automotive engine technology in the year 1990 and beyond. This project shall be administered by the Department of Transportation and coordinated technically with the Air Resources Board. A final report to the Legislature on the results of Phase 1, with recommendations or the advisability of undertaking and funding subsequent phases, shall be submitted by December 1, 1985. Project status and performance reports shall be submitted to the Legislature every six months following the start of the project. Specifically, this project shall consist of the following phases:

   (i) Phase 1 shall provide for laboratory-applied research of the advanced methanol engine technology with single-cylinder tests, computer modeling, and multiple-cylinder tests on a static dynamometer test stand. In this phase, the advanced methanol engine technology being researched shall consist of, but not be limited to, a methanol-fueled, lean combustion, staged-ignition system with microprocessor feedback controls over mixture ratio and ignition timing. The Department of Transportation and Air Resources Board shall have the authority to plan and change, as necessary, all testing requirements and system elements.

   (ii) Phase 2 shall provide for preprototype testing of the advanced methanol engine, with multiple-cylinder engines with after-treat-

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ment of emissions, if necessary, on a chassis dynamometer test stand and, also, with preliminary road tests on modified vehicles. As in Phase 1, the testing requirements system elements shall be subject to planning and direction by Caltrans and the Air Resources Board.

(iii) Phase 3 shall provide for road tests of prototype engines and after-treatment systems in modified vehicles under a wide range of operating conditions. This phase of development is envisioned as being conducted by automotive engine and vehicle manufacturers in response to state air quality standards and control requirements for mobile sources.

All special equipment purchased by the contractor with state contract funds during Phase 1 and subsequent phases of this project shall be the property of the state.

2660-001-890—For support of Department of Transportation, payable from the Federal Trust Fund 133,917,000

Schedule:

(a) 10-Aeronautics 25,000

(b) 20-Highway Transportation 108,858,000

20.10-Rehabilitation.. (16,833,000)

20.20-Operational Improvements ..... (21,140,000)

20.40-Program Development ..... (12,994,000)

20.50-New Facilities.. (57,891,000)

(c) 30-Mass Transportation 25,034,000

Provisions:

1. For Program 20—Highway Transportation, up to 10 percent of any of the amounts scheduled within the program as appropriated from the Federal Trust Fund, Item 2660-001-890, may be transferred to Item 2660-101-890 or Item 2660-301-890 as authorized under the provisions of Section 168 of the Streets and Highways Code.
2. For Program 20—Highway Transportation, funds appropriated in this item shall be available for support of those projects which have been included in a State Transportation Improvement Plan adopted by the California Transportation Commission.

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3. For Program 20—Highway Transportation, for purposes of the Streets and Highways Code, all expenditures from this item shall be deemed to be expenditures from the State Highway Account, State Transportation Fund.
4. For Program 20—Highway Transportation, federal funds received may be from any federal source, and shall be deposited in the Federal Trust Fund. Any federal reimbursements shall be credited to the account from which the expenditures were originally made.
5. Any state funds appropriated for any activity for which funds are no longer needed because of the receipt of federal funds in excess of the amount appropriated by this act for such an activity, shall not be encumbered for any purpose and shall revert to the unappropriated surplus of the fund from which the appropriation was made.
6. For Program 30—Mass Transportation. The amount appropriated by this item for Ridesharing (30.80), shall be reduced by $1, with a maximum reduction of $1,500,000, for each dollar that is transferred in fiscal year 1984–85 to the Ridesharing and Alternative Transportation Fund from the General Fund pursuant to subdivision (b) of Section 5 of Chapter 502, Statutes of 1982, as amended. Implementation of this provision shall be accomplished by a budget revision.

2660-011-041—For transfer by the State Controller from the Aeronautics Account, State Transportation Fund (041), to the Transportation Planning and Development Account, State Transportation Fund (046), as prescribed by Section 21682.5 of the Public Utilities Code ..... (30,000)

2660-021-042—For transfer by the State Controller from the State Highway Account, State Transportation Fund (042), to the Transportation Planning and Development Account, State Transportation Fund (046) as prescribed by Section 194 of the Streets and Highways Code ..... (10,016,000)

2660-031-042—(a) There is hereby appropriated, from the reserve account established pursuant to subdivision (b) of Section 71 of Chapter 161 of the Statutes of 1979 in the State Highway Account in the State Transportation Fund, to the State Highway Account, for expenditure by the Department

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of Transportation, an amount sufficient to fund the appropriations to the Department of Transportation made by this act.

It is the intent of the Legislature that all available revenues in the State Highway Account, including the reserve account, be used for the specific purposes authorized and in the order of receipt (first available—first used).

(b) There is hereby appropriated, on June 30, 1985, to the reserve account established pursuant to subdivision (b) of Section 71 of Chapter 161 of the Statutes of 1979 in the State Highway Account, all money in or due to the State Highway Account on the date which is not appropriated as of that date, to be available for expenditure only upon appropriation in the Budget Act.

2660-041-047—For transfer by the Controller from the Abandoned Railroad Account, State Transportation Fund to the Transportation Planning and Development Account, State Transportation Fund (1,500,000)

2660-051-047—For transfer by the Controller from the Abandoned Railroad Account, State Transportation Fund (047) to the General Fund 2,000,000

2660-101-041—For local assistance, Department of Transportation, Program 10—Aeronautics, payable from the Aeronautics Account, State Transportation Fund 1,600,000

2660-101-042—For local assistance, Department of Transportation, payable from the State Highway Account, State Transportation Fund 93,869,000

Schedule:

(a) 20-Highway Transportation..... 29,000,000
20.30-Local Assistance..... (29,000,000)

(b) 30-Mass Transportation 64,869,000

Provisions:

1. For Program 20—Highway Transportation, up to 10 percent of any amounts scheduled within Item 2660-101-042 may be transferred to Item 2660-001-042 or Item 2660-301-042 as authorized under the provisions of Section 168 of the Streets and Highways Code.

4. For Program 30—Mass Transportation, Article XIX, Transit Guideways—The amount allocated in the 1984–85 fiscal year by the California Transportation Commission for final design or the construction of transportation facilities or the acquisition of related rights-of-way shall be available for expenditure or reallocation by the

Item	Amount
California Transportation Commission during the 1984–85, 1985–86 and 1986–87 fiscal years.	
2660-101-045—For local assistance, Department of Transportation, Program 20—Highway Transportation, payable from the Bicycle Lane Account, State Transportation Fund	450,000
2660-101-046—For local assistance, Department of Transportation, payable from the Transportation Planning and Development Account, State Transportation Fund	44,161,000
Schedule:	
(a) 30-Mass Transportation 42,129,000	
(b) 40-Transportation Planning 2,032,000	
Provisions:	
1. For Program 30—Mass Transportation, transit capital improvements, the amount allocated in the 1984–85 fiscal year by the California Transportation Commission for final design, the construction of transportation facilities, or the acquisition of related right-of-way or of rolling stock shall be available for expenditure or reallocation by the California Transportation Commission during the 1984–85, 1985–86, and 1986–87 fiscal years.	
2660-101-890—For local assistance, Department of Transportation, payable from the Federal Trust Fund	268,584,000
Schedule:	
(a) 20-Highway Transportation..... 252,900,000	
20.30-Local Assistance..... (252,900,000)	
(b) 30-Mass Transportation 8,684,000	
(c) 40-Transportation Planning..... 7,000,000	
Provisions:	
1. For Program 20—Highway Transportation, up to 10 percent of the amounts scheduled within the program as appropriated from the Federal Trust Fund, Item 2660-101-890, may be transferred to Item 2660-001-890 or Item 2660-301-890 as authorized pursuant to Section 168 of the Streets and Highways Code.	
2. For Program 20—Highway Transportation, for purposes of the Streets and Highways Code, all expenditures from this item shall be deemed to be expenditures from the State Highway Account, State Transportation Fund.	

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3. For Program 20—Highway Transportation, federal funds received may be from any federal source, and shall be deposited in the Federal Trust Fund. Any federal reimbursements shall be credited to the account from which the expenditures were originally made.

2660-301-042—For capital outlay, Department of Transportation, Program 20—Highway Transportation, payable from the State Highway Account, State Transportation Fund 243,145,000

Schedule:

20.10-Rehabilitation ..... (60,956,000)
20.20-Operational Improvements ..... (33,555,000)
20.50-New Facilities ..... (148,434,000)
20.70-Operations ..... (200,000)
(1) 20-Total Highway Transportation .. 318,145,000
(2) Reimbursements −75,000,000

Provisions:

1. For Program 20—Highway Transportation, up to 10 percent of the amounts within Item 2660-301-042 may be transferred to Item 2660-101-042 or Item 2660-001-042 of this act as authorized under the provisions of Section 168 of the Streets and Highways Code.
2. For Program 20—Highway Transportation, funds appropriated by this item shall be available for allocation by the California Transportation Commission to those projects which have been included in a State Transportation Improvement Plan adopted by the commission.

2660-301-046—For capital outlay, Department of Transportation, Program 30—Mass Transportation, payable from the Transportation Planning and Development Account, State Transportation Fund 5,300,000

Schedule:

(1) 30-Total Mass Transportation 12,037,000
(2) Reimbursements ..... −6,737,000

Provisions:

1. For Program 30—Of the funds appropriated by this item, $5,300,000 shall be allocated by the California Transportation Commission pursuant to subdivision (b) of Section 14031.6 of the Government Code for intercity rail capital improvements authorized by Section 14038 of the Government Code.

2660-301-890—For capital outlay, Department of Transportation, payable from the Federal Trust Fund .. 1,042,275,000

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Schedule:

(a) 20-Highway Transportation.....1,030,775,000
20.10-Rehabilitation ..... (177,236,000)
20.20-Operational Improvements (103,256,000)
20.50-New Facilities..... (750,283,000)

(b) 30-Mass Transportation 11,500,000

Provisions:

1. For Program 20—Highway Transportation, up to 10 percent of the amounts scheduled within the program as appropriated from the Federal Trust Fund, Item 2660-301-890, may be transferred to Item 2660-101-890 or Item 2660-001-890 as authorized pursuant to Section 168 of the Streets and Highways Code.
2. For Program 10—Highway Transportation, funds appropriated by this item shall be available for allocation by the California Transportation Commission to those projects which have been included in a State Transportation Improvement Plan adopted by the commission.
3. For Program 20—Highway Transportation, for purposes of the Streets and Highways Code, all expenditures from this item shall be deemed to be expenditures from the State Highway Account, State Transportation Fund.
4. For Program 20—Highway Transportation, federal funds received may be from any federal source, and shall be deposited in the Federal Trust Fund. Any federal reimbursements shall be credited to the account from which the expenditures were originally made.

2660-490—Reappropriation, Department of Transportation. Notwithstanding any other provisions of law, the unencumbered and unliquidated balances, or the portion thereof as specified in this item, on the effective date of this act, of the appropriation provided in the following citations, are reappropriated for the purposes provided for in such appropriations and shall be available for expenditure until June 30, 1985.

Transportation Planning and Development Account, State Transportation Fund

(1) Section 71(c)(2)(A), Chapter 161, Statutes of 1979—Chico and Marysville Station Improvements
(2) Section 71(c)(2)(C), Chapter 161, Statutes of 1979.

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(3) Item 266-101-046, Budget Act of 1981—BART Vehicle Firehardening Project, and MTDB South Line Double Tracking and LBV Purchase Project.

2660-491—Reappropriation—Department of Transportation for Program 20—Highway Transportation. Notwithstanding any other provisions of law, and in accordance with subdivision (c), Section 16304 of the Government Code, the unliquidated encumbrances of prior year local assistance appropriations from the State Highway Account, State Transportation Fund are reappropriated without regard to fiscal year, to enable continuing liquidation of these encumbrances, and to allow project savings to be available for other local assistance highway projects previously funded from the same appropriation.

2660-495—Notwithstanding any other provisions of law, the unencumbered and unobligated balance of the capital outlay appropriations provided in the following citations shall revert, on the effective date of this act, to the unappropriated surplus of the fund from which the appropriation was made. The unliquidated encumbrances plus whatever portion thereof is specified in this item are continued for expenditure until June 30, 1985. The funds continued for expenditure from the capital outlay appropriations in the following citations shall be available for allocation by the California Transportation Commission to any project whether or not included in an adopted State Transportation Improvement Program:

042—For Program 20—Highway Transportation, payable from the State Highway Account, State Transportation Fund

(1) Item 160.1, Budget Act of 1977—$200,000
(2) Item 447, Budget Act of 1978—$200,000
(3) Item 453, Budget Act of 1979—$200,000
(4) Item 513, Budget Act of 1980—$500,000
(5) Item 266-301-042, Budget Act of 1981—$400,000

890—For Program 20—Highway Transportation, payable from the Federal Trust Fund

(1) Item 266-301-890, Budget Act of 1981—$600,000

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2660-496—Reversion, Department of Transportation. As of June 30, 1984, the unencumbered balance of the appropriations provided in the following citations, or the portions thereof as specified in this item, shall revert to the unappropriated surplus of the fund from which the appropriation was made, provided that the amount reverted shall not exceed the amount, as determined by the Director of Finance pursuant to Section 16.00 of this act, needed in the Transportation Planning and Development Account, State Transportation Fund, to fund the total 1984–85 fiscal year appropriations and allocations from that account:

047—Abandoned Railroad Account, State Transportation Fund

(1) Item 2660-301-047, Budget Act of 1983—$2,482,000

2660-497—Reversion, Department of Transporation. As of June 30, 1984, the unencumbered balance of the appropriations provided in the following citations, or the portions thereof as specified in this item, shall revert to the unappropriated surplus of the the fund from which the appropriation was made:

046—Transportation Planning and Development Account, State Transportation Fund

(1) Item 266-101-046, Budget Act of 1981—$3,300,000

2700-001-044—For support of Office of Traffic Safety, payable from the Motor Vehicle Account, State Transportation Fund 233,000

Schedule:

(a) State Operations	5,637,000
(b) Reimbursements	−54,000
(c) Amount payable from the First Offender Program Evaluation Fund (Item 2700-001-464)	−250,000
(d) Amount payable from the Federal Trust Fund (Item 2700-001-890) ..	−5,100,000

Provisions:

1. The amount of any contract awarded by the Office of Traffic Safety for an evaluation of first-offender programs shall be subject to the availability of funds in the First Offender Program Evaluation Fund in the 1984–85 fiscal year.

2700-001-464—For support of Office of Traffic Safety, to be transferred to Item 2700-001-044, payable from the First Offender Program Evaluation Fund..... 250,000

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Provisions:

1. The amount of any contract awarded by the Office of Traffic Safety for an evaluation of first offender programs shall be subject to the availability of funds in the First Offender Program Evaluation Fund in the 1984–85 fiscal year.

2700-001-890—For support of Office of Traffic Safety, to be transferred to Item 2700-001-044, payable from the Federal Trust Fund, not subject to the provisions of Section 28 5,100,000

2700-101-890—For local assistance, Office of Traffic Safety, payable from the Federal Trust Fund, not subject to the provisions of Section 28 3,400,000

2720-001-001—For support of Department of the California Highway Patrol 483,911

2720-001-044—For support of Department of the California Highway Patrol, payable from the Motor Vehicle Account, State Transportation Fund 351,108,802

Schedule:

(a) 10-Traffic Management 315,650,143
(b) 20-Regulation and Inspection..... 31,662,000
(c) 30-Vehicle Ownership Security 7,317,000
(d) 40.01-Administration..... 78,582,000
(e) 40.02-Distributed Administration.. —78,582,000
(f) Reimbursements..... —3,520,341

Provisions:

1. None of the $1,000,000 provided as part of a gasoline reserve shall be expended unless and until authorized in writing by the Director of Finance.
2. None of the $147,500 appropriated for the purchase of 59 replacement terminals at the Los Angeles Communication Center shall be expended unless and until the State Office of Information Technology has reviewed and approved a feasibility study report and the bid specifications associated with the terminals.
3. None of the $170,000 appropriated for reroofing the CHP headquarters building in Sacramento shall be expended unless and until a moisture contour map of the roof surface has been prepared.
4. A rental reserve of $359,000 shall be established for the Arrowhead, El Centro, Newhall, San Andreas, Trinity River, and West Los Angeles offices that are proposed to be purchased in the 1984–85 fiscal year. If actual leasing costs are less than the amount of reserves provided in this

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item, any unencumbered balance of that reserve amount shall not be encumbered for any other purpose and shall revert to the Motor Vehicle Account, State Transportation Fund.

5. If AB 2198 of the 1983–84 Regular Session is enacted, the amount appropriated by this item shall be reduced by the Director of Finance by the amount of any funds made available pursuant to any appropriation contained in that bill made from the Olympic Reflectorized License Plate Account in the State Transportation Fund to the Department of the California Highway Patrol for the purpose of providing security, traffic control, and law enforcement in relation to the 1984 Olympic Games.
6. The Department of the California Highway Patrol shall pursue all reasonable means to obtain reimbursement for any costs directly attributable to the 1984 Summer Olympics.
7. None of the funds appropriated from the Motor Vehicle Account for traffic management operations related to the 1984 Summer Olympics may be used for providing security services at the 100-kilometer cycling event to be held in Los Angeles and Orange Counties. If any such costs are incurred, full reimbursement shall be secured from the Los Angeles Olympics Organizing Committee.
8. $45,000 of the funds appropriated to the regulation and inspection function shall be utilized to purchase 10 ultrasonic thickness gauges and to reimburse the department for training associated with their use.
9. $173,000 of the funds appropriated in this item shall be for the continuation of the Statewide Hazardous Materials Training.
10. The two percent salary adjustment provided to Sergeants and Lieutenants of the California Highway Patrol in compliance with Section 19827 of the Government Code shall be retroactive to April 1, 1984, and payable from salary savings identified by the department.
11. The $4,276,000 appropriated in this item for cost-of-living adjustments shall be used to provide salary increases for non-represented uniformed personnel in accordance with Section 19827 of the Government Code.

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2720-001-050—For support of Department of the California Highway Patrol, Program 10—Traffic Management, payable from the California Highway Patrol Law Enforcement Account, State Transportation Fund	30,554,000
2720-001-890—For support of Department of the California Highway Patrol, Program 10—Traffic Management, payable from the Federal Trust Fund	180,000
2720-011-044—For payments of deficiencies in appropriations for the Department of the California Highway Patrol, Program 97 Unallocated, which may be authorized by the Director of Finance, with the consent of the Governor, payable from the Motor Vehicle Account, State Transportation Fund	(2,000,000)

Provisions:

1. The Director of Finance shall report allocations from this item in the same manner as required for reporting allocations from Item 9840-001-494 of this act.

2720-021-044—For Department of the California Highway Patrol, for advance authority for the department to incur automotive equipment purchase obligations in an amount not to exceed $5,000,000 during the 1984–85 fiscal year, for delivery beginning in the 1985–86 fiscal year, payable from the Motor Vehicle Account, State Transportation Fund	(5,000,000)
2720-301-044—For Capital Outlay, Department of California Highway Patrol, payable from the Motor Vehicle Account, State Transportation Fund	5,280,000

Schedule:

(1) 50.20 Minor Projects	683,000
(2) 50.10.021.004-Property Options and Appraisals—Various Areas	35,000
(4) 50.10.039.001-Trinity River—Purchase of Leased Facility	1,123,000
(6) 50.10.031.003-Oakland—Construction	1,211,000
(7) 50.10.043.001-San Andreas—Purchase of Leased Facility	455,000
(8) 50.10.045.001-Arrowhead—Purchase of Leased Facility	870,000
(9) 50.10.047.001-El Centro—Purchase of Leased Facility	903,000

Provisions:

1. The funds appropriated in category (2) shall be used only in connection with projects which are to be included in the Budget submitted by the Governor for the 1985–86 fiscal year.

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2. The Director of General Services, acting on behalf of the Department of the California Highway Patrol, may enter into a lease with a purchase option agreement for the purpose of providing adequate office and parking facilities for an area office in Glendale for 75 traffic officers. However, no lease may be entered into unless the agreement is approved by the State Public Works Board and unless the Chairman of the Joint Legislative Budget Committee, or his or her designee, has been provided a 20-day review of the proposed agreement. The proposed agreement is expected to exceed $2 million at the first purchase option date.
3. The Director of General Services, acting on behalf of the Department of the California Highway Patrol, may enter into a lease with a purchase option agreement for the purpose of providing adequate office and parking facilities for a division office in San Diego with 35 uniform and 55 non-uniform personnel. However, no lease may be entered into unless the agreement is approved by the State Public Works Board and unless the Chairman of the Joint Legislative Budget Committee, or his or her designee, has been provided a 20-day review of the proposed agreement. The proposed agreement is expected to exceed $2 million at the first purchase option date.
4. The Director of General Services, acting on behalf of the Department of the California Highway Patrol, may enter into a lease with a purchase option agreement for the purpose of providing adequate office and parking facilities for an inland division office in San Bernardino with 30 uniform and 20 non-uniform personnel. However, no lease may be entered into unless the agreement is approved by the State Public Works Board and unless the Chairman of the Joint Legislative Budget Committee, or his or her designee, has been provided a 20-day review of the proposed agreement. The proposed agreement is expected to exceed $2 million at the first purchase option date.

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2720-490—Reappropriation, California Highway Patrol. Notwithstanding any other provisions of law, the unencumbered balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes provided for in those appropriations and shall be available for expenditure until June 30, 1985:

044—Motor Vehicle Account, State Transportation Fund.

(1) Item 2720-301-044 (i), Budget Act of 1982, reappropriated by Item 2720-490 of the Budget Act of 1983—Site acquisition and preliminary plans —Golden Gate Division Communications Center and Division Office.

2740-001-001—For support of Department of Motor Vehicles, Program 21—Driver Licensing and Control, and Personal Identification 67,000

Provisions:

1. The funds appropriated from this item are for anatomical donor designation program and petit jury panel selection.

2740-001-044—For support of Department of Motor Vehicles, payable from the Motor Vehicle Account, State Transportation Fund 167,130,036

Schedule:

(a) 11-Vehicle and Vessel Registration and Titling		63,003,036
(1) 11—Total Vehicle and Vessel Registration and Titling	69,893,036	
(2) Reimbursements	−6,890,000	
(b) 21-Driver Licensing and Control, and Personal Identification		87,310,000
(1) 21—Total—Driver Licensing and Control and Personal Identification	98,856,000	
(2) Reimbursements	−11,546,000	
(c) 32-Occupational Licensing and Regulation		16,201,000
(1) 32—Total—Occupational Licensing and Regulation	16,217,000	
(2) Reimbursements	−16,000	
(d) 35-New Motor Vehicle Board		616,000
(1) 35-Total—New Motor Vehicle Board	632,000	
(2) Reimbursements	−16,000	

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(e) 41.01-Administration	43,882,000
(f) 41.02-Distributed Administration	−43,740,000
(g) Reimbursements	−142,000
Provisions:	
1. None of the $499,000 provided for dishonored check collection activities shall be approved for expenditure by the Department of Finance any sooner than 30 days after a report on the subject has been submitted to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee or his or her designee may determine. The report shall include, but need not be limited to, a discussion of the various alternatives related to dishonored check collection and the basis for the alternative selected.	
2740-001-064—For support of Department of Motor Vehicles, Program 11—Vehicle and Vessel Registration and Titling, payable from the Motor Vehicle License Fee Account, Transportation Tax Fund	70,272,000
Provisions:	
1. The funds appropriated from this item are as provided by Section 11003 of the Revenue and Taxation Code.	
2740-001-378—For support of Department of Motor Vehicles, Program 11—Vehicle and Vessel Registration and Titling, payable from the State Bicycle License and Registration Fund	23,000
Provisions:	
1. The funds appropriated from this item are as provided by Section 39001 of the Vehicle Code.	
2740-001-420—For support of Department of Motor Vehicles, Program 11—Vehicle and Vessel Registration and Titling, payable from the Vehicle Inspection Fund	1,044,000
Provisions:	
1. Funds appropriated in this item are for purposes of Chapter 5 (commencing with Section 44000) of Part 5 of Division 26 of the Health and Safety Code.	
2740-001-516—For support of Department of Motor Vehicles, Program 11—Vehicle and Vessel Registration and Titling, payable from the Harbors and Watercraft Revolving Fund	2,705,000

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Provisions:

1. The funds appropriated from this item are for undocumented vessel registration and fee collection.

2740-011-044—For payment of deficiencies in appropriations for the Department of Motor Vehicles which may be authorized by the Director of Finance, with the consent of the Governor, payable from the Motor Vehicle Account, State Transportation Fund ..... (1,000,000)

Provisions:

1. The Director of Finance shall report allocations from this appropriation in the same manner as required for reporting allocations from Item 9840-001-494 of this act.

2740-301-044—For capital outlay, Department of Motor Vehicles, payable from the Motor Vehicle Account, State Transportation Fund 1,514,000

Schedule:

(1) 70.61-Minor Projects	248,000
(2) 70.19.010-Sacramento Headquarters Building—preliminary plans and working drawings for fire and life safety retro-fits—Phase I	40,000
(3) 70.18.010-Pomona—Acquisition and preliminary plans for office building and parking facility	763,000
(6) 70.16.010-Newhall—purchase option	463,000

2760-001-178—For support of Traffic Adjudication Board, Program 10, Program Administration, payable from the Driver Training Penalty Assessment Fund 1,527,000

2780-001-683—For support of Stephen P. Teale Data Center, Business, Transportation and Housing Agency, payable from the Stephen P. Teale Data Center Revolving Fund 43,069,791

(a) Support	43,104,791
(b) Reimbursements	−35,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the data center in excess of the amount appropriated not sooner than 30 days after notification in writing of the necessity therefore is provided to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or not sooner than

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whatever lesser time the chairperson of the committee, or his or her designees, may in each instance determine.

2. The funds appropriated ($726,000) in this item for replacement of the V5 CPU shall not be expended until the Department of Finance's State Office of Information Technology (SOIT) has reviewed and approved a Feasibility Study Report for this project.

RESOURCES

3110-001-001—To the Resources Agency, Special Resources Programs, Program 30—Sea Grant Program, for grants to public and private higher education for use as a maximum of two-thirds of the local matching share for projects under the National Sea Grant College and Program Act of 1966. 500,000

Provisions:

1. The amount appropriated in this item is in lieu of any amount which would otherwise be received pursuant to Section 6217 of the Public Resources Code.

3110-101-001—For local assistance, Special Resources Program, Program 10—Tahoe Regional Planning Agency 361,000

Provisions:

1. California governing board members shall be reimbursed for travel costs and per diem expenses according to rates established by the Department of Personnel Administration for members of part-time boards and commissions. Board member reimbursement for automobile rentals shall be limited to economy-model automobiles.

3110-101-140—For local assistance, Special Resources Programs, Program 10—Tahoe Regional Planning Agency, payable from the California Environmental License Plate Fund 67,000

Provisions:

1. The $67,000 appropriated by this item for establishment of in-stream flow standards in the Tahoe Basin shall be used by the Tahoe Regional Planning Agency to contract with the Department of Fish and Game for field work and technical services pursuant to an interagency agreement.

3125-001-001—For support of the California Tahoe Conservancy 433,000

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Provisions:

1. Funds appropriated by this item shall not be available for expenditure unless and until legislation is enacted: (1) fulfilling the requirements of Section 66957 of the Government Code; and (2) providing the California Tahoe Conservancy with the necessary statutory authority to implement the Lake Tahoe Acquisition Bond Act.

3125-001-720—For support of the California Tahoe Conservancy, payable from the Lake Tahoe Acquisition Fund 300,000

Provisions:

1. Of the amount appropriated by this item, up to $45,000 is for transfer to the General Fund, on order of the Director of Finance, for the purpose of reimbursing the General Fund for startup costs incurred by the Resources Agency during the 1983–84 fiscal year.
2. Funds appropriated by this item shall not be available for expenditure unless and until legislation is enacted: (1) fulfilling the requirements of Section 66957 of the Government Code; and (2) providing the California Tahoe Conservancy with the necessary statutory authority to implement the Lake Tahoe Acquisition Bond Act.
3. Notwithstanding Section 66906.7 (b) of the Government Code, as amended by Chapter 833, Statutes of 1980, the funds appropriated by this item shall be used for support of the California Tahoe Conservancy.

3125-301-720—For capital outlay, California Tahoe Conservancy, payable from the Lake Tahoe Acquisitions Fund 20,000,000

Schedule:

(a) Land acquisition pursuant to subdivision (a) of Section 66957 of the Government Code 15,000,000

(b) Land acquisition pursuant to subdivisions (a), (b), and (c) of Section 66957 of the Government Code 5,000,000

Provisions:

1. The acquisition of real property or interests with funds appropriated by this item is not subject to the Property Acquisition Law when the value is less than $250,000 and, therefore, is not subject to Public Works Board approval.

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2. In the event that legislation is enacted giving the California Tahoe Conservancy authority to award grants to local public agencies, state agencies, federal agencies, and nonprofit organizations, the funds provided by this item may be used for grants as specified in that legislation.
3. Funds appropriated by this item shall not be available for expenditure unless and until legislation is enacted (a) fulfilling the requirements of Section 66957 of the Government Code and (b) providing the California Tahoe Conservancy with the necessary statutory authority to implement the Lake Tahoe Acquisitions Bond Act.

3300-001-021—For loans to the State Assistance Fund for Energy, California Business and Industrial Development Corporation to be disbursed by the State Controller pursuant to Sections 32820 through 32823 of the Financial Code, payable from the State Energy Loan Fund Account, General Fund 1,250,000

3310-001-731—For support of California Alternative Energy Source Financing Authority, payable from the California Alternative Energy Authority Fund..... 128,000

3340-001-001—For support of California Conservation Corps 25,447,000

Schedule:

(a) 10-Training and Work Program:		
(1) 10.10-Orientation and Training Center	2,880,000	
(2) 10.20-Base and Fire Centers	29,187,000	
(3) 10.30-Energy Program	443,000	
(b) 20.01-Administration.....		2,900,000
(c) 20.02-Distributed Administration..		−2,900,000
(d) Reimbursements		−7,063,000

Provisions:

1. The Department of Finance shall separately identify, in supplemental schedules to the 1985–86 Governor's Budget, the amount of corps member salary savings.
2. $140,000 budgeted for automation may be encumbered no sooner than 30 days after the Department of Finance has provided the Joint Legislative Budget Committee with a feasibility report in support of further automation. The feasibility report shall have been approved by the Department of Finance and prepared in ac-

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cordance with Sections 4921 to 4928, inclusive, of the State Administrative Manual.			
3340-001-465—For support of California Conservation Corps, payable from the Energy Resources Programs Account, General Fund			4,709,000
Schedule:			
(a) 10.20-Base and Fire Centers		2,479,000	
(b) 10.30-Energy Program		2,230,000	
3340-101-001—For local assistance, California Conservation Corps			690,000
Schedule:			
(a) East Bay Regional Park District		690,000	
3340-301-036—For capital outlay, California Conservation Corps, payable from the Special Account for Capital Outlay			469,000
Schedule.			
(1) Minor projects		163,000	
(2) Greenwood Solar Center, working drawings and construct barracks and recreation center		306,000	
3360-001-031—For support of State Energy Resources Conservation and Development Commission, payable from the State Agricultural and Forestry Residue Utilization Account, General Fund			5,033,000
3360-001-033—For support of State Energy Resources Conservation and Development Commission, to be transferred to Item 3360-001-465 for the Schools and Hospitals program, payable from the State Energy Conservation and Assistance Account, General Fund			6,179,000
3360-001-044—For support of State Energy Resources Conservation and Development Commission, to be transferred to Item 3360-001-465, payable from the Motor Vehicle Account, State Transportation Fund			81,000
3360-001-465—For support of State Energy Resources Conservation and Development Commission, payable from the Energy Resources Programs Account, General Fund			22,110,000
Schedule:			
(a) 100000-Personal Services		13,601,000	
(b) 300000-Operating Expenses and Equipment		7,624,000	
(c) Special Items of Expense		11,500,000	
(1) Schools and hospitals	4,500,000		
(2) Streetlight conversion	4,500,000		

Item	Amount
(3) Solar energy and energy conservation bank 2,500,000	
(d) Amount payable from the Energy Conservation Assistance Account (Item 3360-001-033)	−6,179,000
(e) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3360-001-044) ..	−81,000
(f) Amount payable from the Federal Trust Fund (Item 3360-001-890) ..	−4,355,000

Provisions:

1. Of the amount appropriated by this item, $200,000 shall be expended by the commission for an expanded home energy rating program only after the commission has demonstrated: (a) the feasibility of a home energy rating program in 3 climate zones; and (b) the usefulness and acceptability of such a program to local jurisdictions. The commission shall notify the fiscal committees and the Joint Legislative Budget Committee at least 30 days prior to expending any of the $200,000.
2. Of the amount appropriated by this item, $136,000 budgeted to fund the Petroleum Industry Information Reporting Act shall not be expended unless a statute is enacted that would extend that act beyond January 1, 1985.
3. (a) The $251,000 augmentation for residential building regulations shall be used for:
   (1) The review of conservation technologies and alternative component packages submitted by the public (1.5 personnel years and $50,000 contract).
   (2) An annual update of the commission's energy conservation manuals, public domain computer programs, and the simplified calculation method (1.0 personnel year).
   (3) Technical assistance, training, and interpretations of existing building standards to building officials, designers, and builders (2.5 personnel years).

   (b) The funds may not be used for the review of energy budgets, the analysis of changes to the building standards, or the setting of performance or efficiency standards for conservation technologies.

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3360-001-890—For support of State Energy Resources Conservation and Development Commission, to be transferred to Item 3360-001-465, payable from the Federal Trust Fund		4,355,000
3360-101-001—For local assistance, State Energy Resources Conservation and Development Commission, for a grant to Lassen Community College for expenses related to a cogeneration project, payable from the General Fund		167,000
3360-101-034—For local assistance, State Energy Resources Conservation and Development Commission, pursuant to the provisions of Public Resources Code Section 3822, payable from the Geothermal Resources Development Account, General Fund		4,654,000
3360-101-036—For local assistance, State Energy Resources Conservation and Development Commission, for a grant to Lassen Community College for capital expenditures in support of a cogeneration project, payable from the Special Account for Capital Outlay		595,000
3380-001-001—For support of California Waste Management Board		3,693,000
Schedule:		
(a) 100000-Personal Services	2,704,000	
(b) 300000-Operating Expenses and Equipment	1,066,000	
(c) 400000-Special Items of Expense	6,000	
(d) Reimbursements	−83,000	
3400-001-001—For support of State Air Resources Board		4,313,000
Schedule:		
(a) 100000-Personal Services	21,356,000	
(b) 300000-Operating Expenses and Equipment	17,877,000	
(c) Reimbursements	−648,000	
(d) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 3400-001-044)	−27,749,000	
(e) Amount payable from the Air Pollution Control Fund (Item 3400-001-115)	−3,640,000	
(f) Amount payable from the Vehicle Inspection Fund (Item 3400-001-420)	−236,000	
(h) Amount payable from the Energy Resources Programs Account, General Fund (Item 3400-001-465)	−159,000	
(i) Amount payable from the Federal Trust Fund (Item 3400-001-890)	−2,488,000	

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3400-001-044—For support of State Air Resources Board, to be transferred to Item 3400-001-001, payable from the Motor Vehicle Account, State Transportation Fund		27,749,000
3400-001-115—For support of State Air Resources Board, to be transferred to Item 3400-001-001, payable from the Air Pollution Control Fund		3,640,000
3400-001-420—For support of State Air Resources Board, to be transferred to Item 3400-001-001, payable from the Vehicle Inspection Fund		236,000
3400-001-465—For support of State Air Resources Board, to be transferred to Item 3400-001-001, payable from the Energy Resources Programs Account, General Fund		159,000
3400-001-890—For support of State Air Resources Board, to be transferred to Item 3400-001-001, payable from the Federal Trust Fund		2,488,000
3400-101-044—For local assistance, State Air Resources Board, for assistance to counties in the operation of local air pollution control districts, payable from the Motor Vehicle Account, State Transportation Fund		6,741,000
3460-001-001—For support of Colorado River Board of California		211,000
Schedule:		
(a) 100000-Personal Services	517,000	
(b) 300000-Operating Expenses and Equipment	133,000	
(c) Reimbursements	−431,000	
(d) Amount payable from the California Environmental License Plate Fund (Item 3460-001-140)	−8,000	
3460-001-140—For support of Colorado River Board, to be transferred to Item 3460-001-001, payable from the California Environmental License Plate Fund		8,000
Provisions:		
1. The funds appropriated by this item are for the Salinity Control Forum.		
3480-001-001—For support of Department of Conservation		11,346,000
Schedule:		
(a) 10-Geologic Hazards and Mineral Resources Conservation	5,959,000	
(b) 20-Oil, Gas, and Geothermal Protection	6,308,000	
(c) 30-Special Services for Resources Protection	198,000	
(d) 40.01-Administration	3,625,000	
(e) 40.02-Distributed Administration	−3,625,000	

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(f) Reimbursements ..... −1,119,000

Provisions:

1. The amount available for expenditure from this item shall be reduced by any amount expended by the department in the 1983–84 fiscal year to relocate the San Francisco office of the Division of Mines and Geology.
2. Any federal funds made available for the Soil Conservation Advisory Committee program shall replace funds appropriated by this item on a dollar-for-dollar basis, with the funds appropriated by this item to remain unexpended by the department.

3480-001-035—For support of Department of Conservation, Program 10—Geologic Hazards and Mineral Resources Conservation, payable from the Surface Mining and Reclamation Account, General Fund 1,461,000

Provisions:

1. Any unexpended balance of funds appropriated to the Surface Mining and Reclamation Account in the General Fund pursuant to Chapter 800, Statutes of 1980, shall be made available in the 1984–85 fiscal year for any salary and staff benefit increases which may be appropriated by the Legislature.
2. Any salary and staff benefit increases which apply to the Surface Mining and Reclamation Act shall be paid from the Surface Mining and Reclamation Account in the General Fund.

3480-001-042—For support of Department of Conservation, Program 10—Geologic Hazards and Mineral Resources Conservation, payable from the State Highway Account, State Transportation Fund 12,000

Provisions:

1. The funds appropriated by this item are for the state's share of the California Institute of Technology seismograph network.

3480-001-144—For support of Department of Conservation, Program 10—Geologic Hazards and Mineral Resources Conservation, payable from the California Water Fund 12,000

Provisions:

1. The funds appropriated by this item are for the state's share of the California Institute of Technology seismograph network.

3480-001-398—For support of Department of Conservation, Program 10—Geologic Hazards and Mineral Resources Conservation, payable from the Strong-Motion Instrumentation Program Fund 1,658,000

Item	Amount
Provisions:	
1. The funds appropriated by this item are to be used in carrying out the functions of the Strong-Motion Instrumentation Program.	
3480-001-472—For support of Department of Conservation, Program 30—Special Services for Resources Protection, payable from the Farmlands Mapping Account, General Fund	450,000
Provisions:	
1. The funds appropriated by this item are to be used for the Farmland Mapping and Monitoring Program pursuant to the provisions of Chapter 864, Statutes of 1983.	
3480-001-890—For support of Department of Conservation, Program 10—Geologic Hazards and Mineral Resources Conservation, payable from the Federal Trust Fund	136,000
Provisions:	
1. Any federal funds received for seismic studies which further mutual state and federal study objectives shall replace state funds in category (a) of Item 3480-001-001 to the extent authorized in the federal grants and agreements.	
3540-001-001—For support of Department of Forestry	140,161,000
Schedule:	
(a) 11-Fire Protection 174,396,000	
(b) 12-Resource Management 11,117,000	
(c) 20.01-Administration 12,527,000	
(d) 20.02-Distributed Administration −12,527,000	
(e) Reimbursements ..... −45,352,000	
Provisions:	
1. An amount not more than $100,000 in emergency fire suppression and detection costs and related emergency revegetation costs may be expended from the amounts appropriated for Schedule (a) without approval of the Department of Finance.	
2. Of the funds appropriated in Schedule (a), $5,000,000 is for allocation by the Director of Finance.	
3. No funds appropriated to the Department of Forestry by this or any other act shall be used to provide assistance in planning or carrying out prescribed burning projects conducted on U.S. Forest Service or Bureau of Land Management lands unless those agencies agree, in writing, to indemnify the state for all suppression costs incurred in the event the fire escapes.	

Item Amount

4. Of the $598,000 appropriated in Schedule (c) for the automated information system, no funds shall be expended for purchase of equipment prior to review and approval of the evaluation plan and the report on the 1983–84 pilot project by the Department of Finance.
5. (a) The department (CDF) shall receive written assurance from the Bureau of Land Management (BLM) as follows:
   (i) The BLM will reimburse the state by June 30, 1985, for the $5,118,070 in unpaid billings remaining from emergency fire suppression services provided by CDF to the BLM during previous years.
   (ii) Funds to make this payment have been appropriated.
   (iii) Full payment has been approved by the appropriate federal control agencies.

   (b) In the event that CDF does not receive these written assurances on or before January 1, 1985, CDF shall terminate its cooperative agreement with:
   (i) BLM, under which CDF provides fire protection services to 2.3 million acres of BLM lands in California.
   (ii) The U.S. Forest Service (USFS), under which USFS provides fire protection services to 4 million acres of state responsibility land located within or adjacent to national forests in California.
6. In the event legislation is enacted that (1) allows the Director of Forestry to charge local agencies a percentage of the base salary cost for state personnel providing local fire protection services pursuant to Amador Plan agreements and (2) results in an increase in the amount of reimbursements to the Department of Forestry for these services during the 1984–85 fiscal year, the Director of Finance shall estimate the amount of the additional contract payments and notify the Chairperson of the Joint Legislative Budget Committee of the estimated amount.

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No sooner than 10 days after the notification, the Director of Finance shall certify the amount to the Controller. The Controller shall, within 30 days after the receipt of the certification, transfer from the appropriation provided by this item to the unappropriated surplus of the General Fund an amount as certified by the Director of Finance. This section shall not apply to increases in payments to the Department of Forestry resulting from changes in the level of service or new contract agreements.

7. The Department of Forestry shall not establish a new inmate conservation camp at the Gonzaga site located near San Luis Reservoir and east of Pacheco Pass. The Department of Forestry and the Department of Corrections are authorized, instead, to locate this camp facility at any of the following locations: Coe Ranch Headquarters, Coit Camp No. 1, Coit Camp No. 2, Dowdy Ranch, Hoover Lake, Paradise Flat, Upper San Antone Valley, Little Panoche Detention Reservoir, Pacheco Summit, Old Stanislaus Road Camp, or Old Road Camp, New Coalinga, Fresno County, or another location in Merced County that is acceptable to the board of supervisors and the appropriate Senate and Assembly representatives, or another county within the state that is acceptable to the board of supervisors and the appropriate Senate and Assembly representatives.

8. The Department of Forestry shall (1) fulfill the terms of all its existing Schedule A local fire protection agreements and (2) hire as many qualified fire control personnel as are necessary to provide a total of an additional 69.6 personnel-years of staff for Schedule A fire protection operations during the 1984–85 fiscal year.

Under no circumstances shall the department redirect or abolish any other filled or vacant positions currently authorized for Schedule B fire protection activities or other state operations, for purposes of fulfilling the terms of the above Schedule A fire protection agreements.

3540-001-140—For support of Department of Forestry, Program 12—Resource Management, payable from the California Environmental License Plate Fund 3,445,000

Schedule:

(a) 12-Resource Management 3,295,000

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(b) Forest Genetic Resources 150,000

Provisions:

1. The funds appropriated in category (a) of this item are for vegetation management and pro rata.
2. The funds appropriated in category (b) of this item shall be used to contract for forest genetic research. The Department of Forestry shall issue a request for proposals and award the contract through the competitive bidding process. The contract shall be awarded to the lowest responsible bidder.
3. The funds appropriated in category (b) of this item shall be allocated for the following:
   (a) Initiation and enhancement of tree breeding projects involving the California Tree Improvement Association (CTIA). The Department of Forestry shall seek the advice of the Technical Committee of the CTIA regarding which projects to support ($50,000).
   (b) Conservation of endangered genetic resource collections of Monterey pine and Monterey cypress in California, and development of a long-term conservation plan for native Monterey cypress and Monterey pine populations. This project will be carried out by an organization that has field and laboratory experience with the genetic resources of these two species; and has control of, or access to, the genetic resource collections of these two species in California ($25,000).
   (c) Forest genetic resources projects of broad interest ($75,000).
4. The funds allocated pursuant to provision 3(c) shall be available for encumbrance in both the 1984–85 and 1985–86 fiscal years.
5. Of the funds allocated in provision 3(c), up to $75,000 shall be available for expenditure in the same proportion that the projects receive up to $225,000 from nonstate sources.
6. If the requirements of provision 5 are met, the projects carried out under provision 3(c) shall be among the following:
   (a) Documentation of nursery and forest practices affecting genetic resources in the western United States and Canada.

Item	Amount
(b) Development of state-of-the-art guidelines for nursery and forest practices affecting genetic resources in the western United States and Canada.	
(c) Projects within the areas ranked as high priorities in a State of California 1983 survey of state forestry agencies, the U.S. Forest Service, industry, conservation organizations, and academics throughout the western United States and Canada.	
The Department of Forestry shall seek advice from representatives of the forestry industry, conservation organizations, the U.S. Forest Service, the National Council on Gene Resources, and academia regarding the quality of the proposed projects.	
3540-001-300—For support of Department of Forestry, Program 12—Resource Management, payable from the Professional Forester Registration Fund	89,000
Provisions:	
1. The funds appropriated by this item are for carrying out the function of forester registration.	
3540-001-890—For support of Department of Forestry, payable from the Federal Trust Fund	2,306,000
Schedule:	
(a) 11-Fire Protection, State Responsibility 1,751,000	
(b) 12-Resource Management 555,000	
3540-001-928—For support of Department of Forestry, Program 12—Resource Management, payable from the Forest Resources Improvement Fund	6,970,000
Provisions:	
1. Of the funds appropriated by this item, $659,000 shall be utilized for the Urban Forestry Program.	
2. Of the funds appropriated by this item, $834,000 shall be utilized for Timber Harvest Plan review activities required by the Forest Practices Act.	
3540-001-940—For support of Department of Forestry, Program 12—Resource Management, payable from the Renewable Resources Investment Fund	834,000
Provisions:	
1. The funds appropriated by this item are for watershed mapping, soil erosion studies, and timber harvest plan review.	
3540-001-965—For support of Department of Forestry, Program 12—Resource Management, payable from the Timber Tax Fund	20,000

Item		Amount
3540-011-928—For transfer to the General Fund, in accordance with subdivision (a) of Section 4799.13 of the Public Resources Code, for the costs of operation of the State forests for the period July 1, 1984 through June 30, 1985, payable from the Forest Resources Improvement Fund		(1,397,000)
3540-301-036—For capital outlay, Department of Forestry, Program 30—Capital Outlay, payable from the Special Account for Capital Outlay		2,636,000
Schedule:		
(1) Minor projects	776,000	
(2) Statewide opportunity purchases	15,000	
(3) Kneeland Helitack Base—acquisition	45,000	
(4) Felton Ranger Unit Headquarters—acquisition	63,000	
(5) Miramonte Conservation Camp—acquisition	9,000	
(6) Redding Forest Fire Station—construct and equip replacement station	1,208,000	
(7) Perris Ranger Unit Headquarters—working drawings, construct and equip replacement auto shop	483,000	
(8) Deluz Forest Fire Station—preliminary plans and working drawings for replacement station	25,000	
(9) Saratoga Summit Forest Fire Station—preliminary plans for apparatus building	12,000	
3540-301-666—For capital outlay, Department of Forestry, Program 30—Capital outlay, payable from the Service Revolving Fund		18,000
Schedule:		
(1) Redding Forest Fire Station—additional working drawings for replacement station	18,000	
3560-001-001—For support of State Lands Commission		11,225,000
Schedule:		
(a) 100000-Personal Services	9,628,000	
(b) 300000-Operating Expenses and Equipment	2,430,000	
(c) Reimbursements	−833,000	
Provisions:		

Item Amount

1. Notwithstanding the provisions of Section 4(d) Chapter 138, Statutes of 1964, 1st Extraordinary Session, all Commission costs for administering Long Beach Tidelands, exclusive of any Attorney General charges, shall be included in revenues deposited into the General Fund pursuant to Public Resources Code Section 6217(a) (2).
2. All costs incurred to manage State School Lands shall be deducted from the revenues produced by those lands and deposited into the General Fund pursuant to Chapter 1213 of the Statutes of 1983.
3. Before any expenditures are made procuring EDP equipment, the State Lands Commission must adhere to all State Administrative Manual requirements relating to EDP, including obtaining Department of Finance approval of a Feasibility Study Report, and any additional requirements which the Department of Finance determines to be necessary, including preparation of a data processing master plan. Additionally, at least 30 days before any expenditures are made for procuring EDP equipment, the Department of Finance shall certify to the Chairperson of the Joint Legislative Budget Committee that all State Administrative Manual requirements have been met and that the system for which the equipment is purchased is both necessary and cost-effective.

3580-001-001—For support of Seismic Safety Commission, Program 10—Seismic Safety 403,000

3600-001-001—For support of Department of Fish and Game, to be transferred to Item 3600-001-200..... 5,800,000

3600-001-140—For support of Department of Fish and Game, to be transferred to Item 3600-001-200, payable from the California Environmental License Plate Fund..... 6,375,000

Provisions:

1. None of the $105,000 appropriated by this item for construction of the Buena Vista Lagoon wier shall be encumbered until (a) all contract engineering work financed by the Coastal Conservancy is completed and (b) 30 days after the Director of Finance notifies the Chairperson of the Joint Legislative Budget Committee, or whatever lesser time the chairperson designates, that the Department of Fish and Game has approved the project. The notification of the

Item Amount

Director of Finance shall include, but need not be limited to, a report by the Department of Fish and Game describing how the project will enhance wetland habitat, as well as providing flood control benefits.

2. $60,000 of the amount appropriated by this item shall be available for encumbrance by the Department of Fish and Game pursuant to a memorandum of understanding with any nonprofit organization authorized by the Fish and Game Commission pursuant to Section 4700 of the Fish and Game Code for research into the causes of mortality of bighorn lambs. The funds shall be encumbered on a matching basis such that $1 of the funds appropriated in this item shall be encumbered for every $2 raised from nonstate sources during the period January 1, 1984, through December 31, 1984, by the nonprofit organization that has entered into the memorandum of understanding with the department. All funds so encumbered shall be expended solely for the direct benefit of bighorn sheep in the State of California. The department may perform whatever audits are necessary to carry out the requirements of this paragraph.

3. $150,000 of the amount appropriated by this item for wildlife habitat improvement on federal lands shall be used by the Department of Fish and Game for a pilot marsh project at the Kern National Wildlife Refuge.

3600-001-200—For support of Department of Fish and Game, payable from the Fish and Game Preservation Fund 52,232,000

Schedule:

(a) 100000-Personal Services	44,246,000
(b) 300000-Operating Expenses and Equipment	37,312,000
(c) Reimbursements	−5,841,000
(d) Amount payable from the General Fund (Item 3600-001-001)	−3,931,000
(dx) Amount payable from the General Fund (Item 3600-011-001)	−1,914,000
(e) Amount payable from the California Environmental License Plate Fund (Item 3600-001-140)	−6,375,000
(f) Amount payable from the Federal Trust Fund (Item 3600-001-890)	−10,130,000

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(g) Amount payable from the Renewable Resources Investment Fund (Item 3600-001-940) ..... −1,135,000

Provisions:

1. The amount appropriated by this item may be increased with the approval of and under the conditions set by the Department of Finance to meet current obligations proposed to be funded by categories (c) and (f) of this item. This increased authorization may not be used to expand services or create new obligations.

   Reimbursements received under categories (c) and (f) of this item shall be used in repayment of any funds utilized to meet current obligations pursuant to this provision.

2. Notwithstanding Sections 711 and 712 of the Fish and Game Code, funds appropriated by this item shall be utilized for support of the Sea Otter Research Project because a benefit of this study will be information applicable to the protection of the abalone and clam fisheries.

3. In abolishing the 49 authorized positions pursuant to the Governor's 3 percent reduction in the number of state employees, the department shall not eliminate any warden positions from its Wildlife Protection Program. Funds originally proposed for redirection to increase expenditures for equipment shall instead be utilized to restore the five warden positions scheduled for elimination.

3600-001-890—For support of Department of Fish and Game, to be transferred to Item 3600-001-200, payable from the Federal Trust Fund 10,130,000

3600-001-940—For support of Department of Fish and Game, to be transferred to Item 3600-001-200, payable from the Renewable Resources Investment Fund 1,135,000

3600-011-001—For support of Department of Fish and Game, for the Upper Newport Bay Project, to be transferred to Item 3600-001-200 1,914,000

Provisions:

1. Of the funds provided in this item, an amount not to exceed $87,000 shall be for architectural and engineering services, $170,000 shall be for equipment, and the remaining balance of $1,657,000 shall be for related restoration contract work.

Item		Amount
2. Funds for restoration work shall be subject to allocation by the State Public Works Board, pursuant to Section 13332.11 of the Government Code and Chapter 808 of the Statutes of 1982, except that the Upper Newport Bay restoration project shall be exempt from review by the Office of the State Architect and the board may not augment the amount appropriated for the project.		
3. 75 percent of any federal disaster funds received in 1984–85 by the state for storm damage repairs at Upper Newport Bay, which are included in the scope of "Unit 1" restoration work, shall be used to reduce the amount provided to the department by this item. The balance of any such federal funds shall be used to reduce the required contribution by local agencies to finance their share of "Unit 1" costs in 1984–85.		
3600-301-036—For capital outlay, Department of Fish and Game, payable from the Special Account for Capital Outlay		60,000
Schedule:		
(1) Minor projects	60,000	
3600-301-140—For capital outlay, Department of Fish and Game, payable from the California Environmental License Plate Fund		25,000
Schedule:		
(1) Mad River Hatchery-Fish Screen —preliminary plans and working drawings	25,000	
3600-301-200—For capital outlay, Department of Fish and Game, payable from the Fish and Game Preservation Fund		2,832,000
Schedule:		
(1) Minor projects	443,000	
(2) Project planning	40,000	
(3) Hot Creek Hatchery—modernization (Phase I)	2,150,000	
(4) Amount payable from the Federal Trust Fund (Item 3600-301-890)	−61,000	
(5) Habitat Acquisition	260,000	
(a) China Point, Siskiyou County		
(b) Blue Ridge Ecological Reserve, Tulare County		
(c) Imperial Wildlife Area, Imperial County		

Item		Amount
(d) Soda Lake, San Luis Obispo County		
Provisions:		
1. The Department of Fish and Game may modify the schedule in category (5) to acquire a different parcel if the department deems such a change is in the best interest of the state, provided that the Chairman of the Joint Legislative Budget Committee, or his or her designee, has been provided a 30-day advance review of the proposed change.		
3600-301-890—For capital outlay, Department of Fish and Game, to be transferred to Item 3600-301-200, payable from the Federal Trust Fund		61,000
3640-001-447—For support of Wildlife Conservation Board, payable from the Wildlife Restoration Fund		485,000
Schedule:		
(a) 100000-Personal Services	372,000	
(b) 300000-Operating Expenses and Equipment	113,000	
Provisions:		
1. In the event that Federal Land and Water Conservation Funds are received in reimbursement for administrative costs associated with bond projects, an amount equal thereto from the Wildlife Restoration Fund shall not be utilized for support of the Wildlife Conservation Board.		
2. The Wildlife Conservation Board is hereby authorized to use its existing staff to assist the United States Bureau of Land Management in carrying out exchanges of federal land for privately held lands that complement state efforts to secure suitable habitat for bighorn sheep.		
3640-301-036—For capital outlay, Wildlife Conservation Board, payable from the Special Account for Capital Outlay		1,500,000
Schedule:		
(1) Habitat acquisition-Half Moon Bay	1,500,000	
3640-301-140—For capital outlay, Wildlife Conservation Board, payable from the California Environmental License Plate Fund		3,000,000
Schedule:		
(1) Land acquisition and development—ecological reserves	3,000,000	

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Provisions:

1. The funds in category (1) are provided in accordance with the provisions of the Wildlife Conservation Law of 1947 and, therefore, shall not be subject to Public Works Board review.
2. It is the intent of the Legislature that funds appropriated by this item shall be replaced on a dollar-for-dollar basis to the extent possible by Olympic reflectorized license plate revenue deposited in the Environmental License Plate Fund pursuant to Chapter 1289, Statutes of 1983, or subsequently enacted amendments.
3. Of the funds appropriated in this item, $400,000 shall be used for acquisition of and development of ecological reserves for the Greater Sandhill Crane.

3640-301-447—For capital outlay, Wildlife Conservation Board, payable from the Wildlife Restoration Fund, in lieu of the appropriation made by the Wildlife Conservation Law of 1947 3,129,000

Schedule:

(1) Minor projects			715,000
(2) Project planning			20,000
(3) Land acquisitions			1,394,000
(4) Pier development projects			1,000,000
(a) Avila Pier reconstruction		500,000	
(b) Pier 7		500,000	

Provisions:

1. The funds in this appropriation are provided in accordance with the provisions of the Wildlife Conservation Law of 1947 and therefore, shall not be subject to Public Works Board review.
2. If the Department of Finance receives a request from the Wildlife Conservation Board to augment the amount approved in categories (2) to (3), inclusive within the schedule of this item by transfer from one or more of those categories within such schedule, no such transfer shall be approved any sooner than 30 days after the Department of Finance notifies the Chairperson of the Joint Legislative Budget Committee, or his or her designee, of the Department's intent to approve the transfer, or not sooner than such lesser time as may be specified by the Chairperson of the Joint Legislative Budget Committee, or his or her designee.

Item		Amount
3. Any savings which remain following completion of any individual project in category (4) may be transferred to any other project in category (4) where additional funds are required to complete the project.		
3680-001-001—For support of Department of Boating and Waterways, to be transferred to Item 3680-001-516		226,000
3680-001-516—For support of Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund		3,164,000
Schedule:		
(a) 100000-Personal Services	2,130,000	
(b) 300000-Operating Expenses and Equipment	1,105,000	
(c) Aquatic Plant Control	150,000	
(d) Feasibility Determinations	20,000	
(e) Boating Safety Financial Assistance	225,000	
(f) Reimbursements	−15,000	
(g) Amount payable from the General Fund (Item 3680-001-001)	−226,000	
(h) Amount payable from the Federal Trust Fund (Item 3680-001-890)	−225,000	
Provisions:		
1. The funds appropriated in category (e) for Boating Safety Financial Assistance shall be expended in accordance with Federal law.		
3680-001-890—For support of Department of Boating and Waterways, to be transferred to Item 3680-001-516, payable from the Federal Trust Fund		225,000
3680-101-001—For Local Assistance, Department of Boating and Waterways, for beach erosion control projects, payable from the General Fund		2,885,000
Schedule:		
(a) Imperial Beach Project—San Diego County	1,355,000	
(b) Pacifica Shore Project—San Mateo County	1,530,000	
Provisions:		
None of the funds appropriated in categories (a) through (b) of this item shall be encumbered by the Department of Boating and Waterways unless and until the department receives a legally binding commitment from a local public agency to provide for at least that portion of the costs of the project as included in the proposed 1984–85 Governor's Budget.		

Item			Amount
3680-101-140—For local assistance, Department of Boating and Waterways, for a beach erosion control project, payable from the Environmental License Plate Fund			275,000
Schedule:			
(a) Robert Crown Park-Alameda County		275,000	
3680-101-516—For local assistance, Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund			18,483,000
Schedule:			
(a) Launching facility grants		3,933,000	
(1) Boyd Pump, Sutter County	115,000		
(2) Clark Springs	342,000		
(3) Crescent City	100,000		
(4) Dana Basin, City of San Diego	320,000		
(5) Fairview Campground	150,000		
(6) Floating Restrooms	150,000		
(7) Georgianna Slough	25,000		
(8) City of Isleton	225,000		
(9) Lopez Lake	165,000		
(10) Mallard Cove	297,000		
(11) Modesto Reservoir	47,000		
(12) Lake Nacimiento	242,000		
(13) Ramp Repairs and Modifications	100,000		
(14) Redwood City	500,000		
(15) City of Reedley	300,000		
(16) Lake Sabrina	100,000		
(17) South Lake	80,000		
(18) Stumpy Meadows	224,000		
(19) Ventura Harbor	265,000		
(20) Woodward Reservoir	186,000		
(b) Loans: Local Government		11,350,000	
(1) Antioch Marina	2,000,000		
(2) Balboa Yacht Basin Marina	800,000		
(3) Martinez Marina	750,000		
(4) Oceanside Marina	900,000		
(5) Oyster Point Marina	1,000,000		
(6) Pillar Point Marina	2,000,000		

Item		Amount
(7) Planning Loans	100,000	
(8) Santa Barbara Marina	1,600,000	
(9) South Beach, San Francisco	1,500,000	
(10) City of Vallejo	600,000	
(11) Emergency Loans	100,000	
(c) Boating safety and enforcement ..		3,200,000
(d) Boating safety financial assistance		227,000
(e) Amount payable from the Federal Trust Fund (Item 3680-101-890) ..		−227,000

Provisions:

1. The funds appropriated in category (a) are for grants to cities, counties, districts, or other public agencies pursuant to Sections 72.5 and 72.7 of the Harbors and Navigation Code to be used for construction and development of small craft launching facilities and floating restrooms.
2. The funds appropriated in category (b) are for loans to be made to cities, counties, or districts pursuant to Sections 70.2 and 71.4 of the Harbors and Navigation Code, Department of Boating and Waterways.
3. The funds appropriated in category (b) (11) are for allocation by the Director of Finance to provide for repairs, authorized by the Director of Finance, of damage at small craft harbor facilities constructed pursuant to Sections 70.2 and 71.4 of the Harbors and Navigation Code, caused by emergency conditions, including but not limited to tidal waves or severe storms, and for payment of deficiencies in appropriations for the Department of Boating and Waterways which may be authorized by the Director of Finance.
4. No funds appropriated in categories (a) and (b) shall be encumbered or expended unless and until an environmental impact report is completed and approved for the project.
5. The funds appropriated in category (c) are for boating safety and enforcement programs pursuant to Section 663.7 of the Harbors and Navigation Code.
6. The funds appropriated in category (d) for Boating Safety Financial Assistance shall be expended in accordance with Federal law.

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7. No funds appropriated in category (b) shall be expended unless and until all project permits from the appropriate state and federal agencies are received, except for those funds that are necessary to obtain project permits.

3680-101-890—For local assistance, Department of Boating and Waterways, to be transferred to Item 3680-101-516, payable from the Federal Trust Fund 227,000

3680-301-516—For capital outlay, Department of Boating and Waterways, payable from the Harbors and Watercraft Revolving Fund 710,000

Schedule:

(1) Project Planning 20,000

(2) Minor projects 690,000

3720-001-001—For support of California Coastal Commission 5,632,000

Schedule:

(a) 100000-Personal Services 4,857,000

(b) 300000-Operating Expenses and Equipment 2,850,000

(c) Reimbursements ..... −40,000

(d) Amount payable from the California Environmental License Plate Fund (Item 3720-001-140) ..... −284,000

(e) Amount payable from the Federal Trust Fund (Item 3720-001-890) .. −1,751,000

Provisions:

1. The commission shall, to the extent legally possible, utilize categorical exclusions, permit exemptions, and administrative permits authorized by Division 20 (commencing with Section 30000) of the Public Resources Code to reduce the commission's regulatory workload and to achieve overall cost savings to the state.
2. The commission shall, to the extent resources are available, undertake efforts to expedite the transfer to local governments of coastal development permit authority pursuant to Division 20 (commencing with Section 30000) of the Public Resources Code by providing training and any other assistance it deems appropriate to assist local governments in the assumption of this coastal permit responsibility.

3720-001-140—For support of California Coastal Commission, to be transferred to Item 3720-001-001, payable from the California Environmental License Plate Fund 284,000

Schedule:

(a) Coastal access projects 200,000

Item		Amount
(b) Coastal Resource Information Center/Guide to Coastal Resources	84,000	
Provisions:		
1. The commission shall endeavor to secure federal funds to support the establishment of the Coastal Resource Information Center and the publication of the Guide to Coastal Resources. If federal funds become available, the commission shall utilize these funds prior to expending the funds appropriated in schedule (b). Not more than $84,000 from all sources shall be expended in 1984–85 for the establishment of the Coastal Resource Information Center and the publication of the Guide to Coastal Resources.		
3720-001-890—For support of California Coastal Commission, to be transferred to Item 3720-001-001, payable from the Federal Trust Fund		1,751,000
3720-101-001—For local assistance, California Coastal Commission		280,000
Schedule:		
(a) Assistance to Local Planning Agencies	419,000	
(b) Amount payable from the Federal Trust Fund (Item 3720-101-890)	−139,000	
Provisions:		
1. The funds appropriated are for coastal planning assistance as provided in Section 16 of Chapter 1330 of the Statutes of 1976, as amended by Section 28 of Chapter 1331 of the Statutes of 1976.		
3720-101-890—For local assistance, California Coastal Commission, for assistance to local planning agencies, to be transferred to Item 3720-101-001, payable from the Federal Trust Fund		139,000
3760-001-140—For support of State Coastal Conservancy, for the artificial seaweed project, to be transferred to Item 3670-001-565, payable from the California Environmental License Plate Fund		355,000
3760-001-565—For support of State Coastal Conservancy, payable from the State Coastal Conservancy Fund		2,246,000
Schedule:		
(a) 100000 Personal Services	1,429,000	
(b) 300000 Operating Expenses and Equipment	1,244,000	
(c) 454632 Preproject feasibility planning	238,000	
(d) Reimbursements	−310,000	

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(e) Amount payable from the California Environmental License Plate Fund (Item 3760-001-140) ..... —355,000

3760-301-565—For capital outlay and local assistance, State Coastal Conservancy, payable from the State Coastal Conservancy Fund, for the purposes set forth in subdivisions (a), (b), (c), (d), and (e) of Section 5096.125 of the Public Resources Code..... 1,553,000

Provisions:

1. Expenditures of funds for local assistance grants and grants to nonprofit organizations are exempt from State Public Works Board review.
2. No funds may be encumbered unless and until each project and the plan therefor is approved by the State Coastal Conservancy and, if required, is reviewed, approved, or certified by the California Coastal Commission, pursuant to Section 31152, 31206, 31208, 31213, 31255, 31258, or 31263, or any combination thereof, of the Public Resources Code.
3. Upon the receipt of any federal reimbursement applicable to any of the projects specified, such reimbursement is hereby appropriated for expenditure by the State Coastal Conservancy for the types of projects specified in this item.
4. Priority shall be given to implementation of a program to restore public recreational facilities in major urban areas and to provide and restore low- and moderate-income recreational opportunities, especially recreational piers and wharves, pursuant to Sections 31300 to 31311, inclusive, of the Public Resources Code, with a high priority given to restoration of those piers severely damaged during the 1982–83 winter storms.

3760-490—Reappropriations, State Coastal Conservancy. Notwithstanding any other provisions of law, the unencumbered balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes provided for in such appropriations, and shall be available for expenditure until June 30, 1985:

721—Parklands Fund

(1) Item 376-101-721, Budget Act of 1981. For local assistance, pursuant to category (2) of subdivision (c) of Section 5096.151 of the Public Resources Code.

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Provisions:

1. The funds appropriated in this item shall be used for grants to counties, cities and districts for the acquisition, development, rehabilitation, or restoration of real property, or the acquisition of any interest in real property, necessary for the implementation of local coastal programs; for the implementation of projects in San Francisco Bay, as defined in subdivisions (a) and (b) of Section 31006, of the Public Resources Code.
2. Of the funds appropriated in Item 376-101-721, Budget Act of 1981, an amount not to exceed $248,000 shall be available for the renovation and restoration of the Manhattan Beach Pier.

(2) Item 376-301-721, Budget Act of 1981. For capital outlay, pursuant to category (2) of subdivision (c) of, and subdivision (d) of, Section 5096.151 of the Public Resources Code, payable from the Parklands Fund of 1980.

Provisions:

1. Of the funds appropriated in Item 376-301-721, Budget Act of 1981, an amount not to exceed $1,000,000 is available for implementation of projects in the coastal zone of the Santa Monica Mountains Zone, as described in Section 33105 of the Public Resources Code.
2. Of the funds appropriated in Item 376-301-721, Budget Act of 1981, an amount not to exceed $500,000 is available to implement a public access program at the Hollister Ranch in Santa Barbara County pursuant to Sections 30610.3 and 30610.8 of the Public Resources Code. Notwithstanding the provisions of subdivision (d) of Section 30610.8 of the Public Resources Code, all in-lieu fees received pursuant to Section 30610.8 of the Public Resources Code shall be credited as a reimbursement to the reappropriation made by this category.
3. The expenditures of funds for local assistance grants and grants to nonprofit organizations are exempt from State Public Works Board review.
4. No funds may be encumbered unless and until each project and the plan therefor is approved by the State Coastal Conservancy, and, if required, is reviewed, approved, or certified by the California Coastal Commission, pursuant to Section 31152, 31206, 31208, 31213, 31255, 31258,

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or 31263, or any combination thereof, of the Public Resources Code.

5. Upon the receipt of any federal reimbursement applicable to any of the projects specified, such reimbursement is hereby appropriated for expenditure by the State Coastal Conservancy for the types of projects specified in this item.
6. Priority shall be given to implementation of a program to restore public recreational facilities in major urban areas and to provide and restore low- and moderate-income recreational opportunities, especially recreational piers and wharves, pursuant to Sections 31300 to 31311, inclusive, of the Public Resources Code, with a high priority given to restoration of those piers severely damaged during the 1982–83 winter storms.

(3) Item 3760-101-721, Budget Act of 1982. For local assistance, pursuant to category (2) of subdivision (c) of Section 5096.151 of the Public Resources Code.

Provisions:

1. The funds appropriated in this item shall be used for grants to counties, cities and districts for the acquisition, development, rehabilitation, or restoration of real property, or the acquisition of any interest in real property, necessary for the implementation of local coastal programs; for the implementation of projects in San Francisco Bay, as defined in subdivisions (a) and (b) of Section 31006, of the Public Resources Code.

3790-001-001—For support of Department of Parks and Recreation 66,355,000

Schedule:

(a) 100000-Personal Services	74,943,000
(b) 300000-Operating Expenses and Equipment	30,779,000
(bx) Special Item of Expense-Rehabilitation of camping facilities	200,000
(c) Reimbursements	−6,749,000
(d) Amount payable from the Off-Highway Vehicle Fund (Item 3790-001-263)	−4,068,000
(e) Amount payable from the State Parks and Recreation Fund (Item 3790-001-392)	−26,930,000

Item	Amount
(f) Amount payable from the Harbors and Watercraft Revolving Fund (Item 3790-001-516)	−280,000
(g) Amount payable from the Federal Trust Fund (Item 3790-001-890)	−1,440,000
(h) Amount payable from the California Environmental License Plate Fund (Item 3790-001-140)	−100,000

Provisions:

1. Contracts for outside legal services related to land acquisition projects are exempt from approval by the Attorney General. The fees for those services shall not exceed the amount of fees normally charged by the Attorney General.
2. Of the $700,000 appropriated in this item for the State Capitol interpretive program, $400,000 shall be used for support of the Capitol and Capitol tour guide program in cooperation with the Joint Rules Committee.

3790-001-140—For support of Department of Parks and Recreation, to be transferred to Item 3790-001-001, payable from the California Environmental License Plate Fund	100,000
3790-001-263—For support of Department of Parks and Recreation, to be transferred to Item 3790-001-001, payable from the Off-Highway Vehicle Fund	4,068,000
3790-001-392—For support of Department of Parks and Recreation, to be transferred to Item 3790-001-001, payable from the State Park and Recreation Fund	26,930,000
3790-001-516—For support of Department of Parks and Recreation, to be transferred to Item 3790-001-001, payable from the Harbors and Watercraft Revolving Fund	280,000

Provisions:

1. The funds appropriated in this item are pursuant to subdivision (d) of Section 663.7 of the Harbors and Navigation Code, Harbors and Watercraft Revolving Fund.

3790-001-890—For support of Department of Parks and Recreation, to be transferred to Item 3790-001-001, payable from the Federal Trust Fund	1,440,000

3790-011-062—For transfer by the State Controller from the Highways Users Tax Account in the Transportation Tax Fund to the State Parks and Recreation Fund, as prescribed by subdivision (a) of Section 2107.7 of the Streets and Highways Code for the support of the Department of Parks and Recreation, for expenditure by the department for main-

Item		Amount
tenance and repair of highways in units of the State park systems; payable from the Highway Users Tax Account, Transportation Tax Fund		(1,500,000)
3790-101-036—For local assistance, Department of Parks and Recreation, payable from the Special Account for Capital Outlay		256,000
Schedule:		
(1) Urban Fishing Grants-Evans Lake	256,000	
3790-101-140—For local assistance, Department of Parks and Recreation, payable from the California Environmental License Plate Fund		1,510,281
Schedule:		
(1) Cities of Brea, Fullerton, and Placentia, Tri-City Park	755,281	
(3) Greater Vallejo Recreation District, Blue Rock Springs Park	300,000	
(4) City of Berkeley, Echo Lake Environmental Center and Cazadero Music and Arts Center	180,000	
(5) City of Sacramento, Sacramento History Center	275,000	
3790-101-263—For grants to cities, counties, or special districts, and for cooperative agreements with federal agencies, as specified in Division 5 (commencing with Section 5001) of the Public Resources Code, Department of Parks and Recreation, payable from the Off-Highway Vehicle Fund, to be available for expenditure during the 1984–85, 1985–86, and 1986–87 fiscal years		5,030,000
Schedule:		
(2) County of Placer, Rubicon Road Access	170,000	
(3) County of Plumas, Big Creek/Bucks Lake Snowmobile Parking	32,000	
(4) City of Palm Springs, Windy Point Feasibility	20,000	
(5) County of Sacramento, Prairie City Acquisition, Phase 2	921,000	
(6) County of Sacramento, Prairie City, Operation and Maintenance	125,000	
(7) County of Santa Clara, Motorcycle Park, Phase 3	51,000	
(8) County of Stanislaus, La Grange Erosion Control	330,000	
(9) U.S. Bureau of Land Management, California Desert District	654,000	
(10) U.S. Bureau of Land Management, Susanville District	232,000	

Item	Amount
(11) U.S. Bureau of Land Management, Ukiah District	1,178,000
(12) Klamath National Forest	115,000
(13) Lassen National Forest	52,000
(14) Los Padres National Forest	353,000
(15) San Bernardino National Forest	66,000
(16) Tahoe National Forest	731,000

Provisions:

2. Funds appropriated in category (5) for a grant to the County of Sacramento for acquisition for the Prairie City Off-Highway Vehicle Park may be encumbered not sooner than 30 days after the following actions have occurred:
   (a) After reviewing the County of Sacramento's studies of toxic waste in the vicinity of that park, the Director of Parks and Recreation and the Director of Health Services jointly report to the Legislature on (1) the nature and extent of toxic waste contamination in the area of planned acquisitions for the park, (2) the potential health hazards arising from prospective public use of the area, and (3) the estimated scope and cost of actions needed to mitigate those hazards to provide for public use.
   (b) The Attorney General provides to the Legislature an opinion on the potential legal and financial liabilities to the state arising from state funding of acquisitions in the area.
3. No more than 75 percent of the funds appropriated in this item for each of the following projects may be encumbered unless and until (a) the Off-Highway Motor Vehicle Recreation Commission adopts criteria, as required by Section 5090.51 of the Public Resources Code, for the determination of which facilities are regional and which are less than regional and (b) the commission determines that the project is regional, according to the adopted criteria: category (3), County of Plumas (snowmobile parking), category (4), City of Palm Springs (Windy Point Feasibility Study), category (7), County of Santa Clara (motorcycle park), and category (8), County of Stanislaus (La Grange erosion control project).

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PARKLANDS ACQUISITION AND DEVELOPMENT PROGRAM

3790-101-721—For grants to counties, cities, and districts, as defined, in Section 5096.144, pursuant to subdivisions (a) and (e) of Section 5096.151, of the Public Resources Code, Department of Parks and Recreation, and for project review, payable from the Parklands Fund of 1980 3,289,000

Schedule:

(a) Project review 149,000

(b) Project grants..... 3,140,000

Projects in Alameda County

(1) City of Oakland, Aquatic Facilities.. 125,000

(2) City of Oakland, East Oakland Sports Center 200,000

(2.1) Hayward Area RPD, Mt. Eden Swim Center..... 30,000

Projects in Butte County

(3) Richvale RPD, Richvale District Facilities..... 20,000

Projects in Contra Costa County

(4) City of Lafayette, Lafayette Community Center 60,000

Projects in Del Norte County

(5) County of Del Norte, Bertsch Tract Park 5,000

(6) County of Del Norte, Pyke Field 20,000

(7) County of Del Norte, Recreation Center 5,000

Projects in Fresno County

(8) Del Rey CSD, Del Rey Parks..... 20,000

Item	Amount
(9) City of Parlier, John C. Martinez Park	20,000
Projects in Kern County	
(10) City of Shafter, Shafter Recreation Facilities	42,000
(10.1) Westside RPD, Westside Park	54,000
Projects in Los Angeles County	
(11) City of San Fernando, Recreation Center	47,000
(12) City of Glendora, Glendora Parks	113,000
(13) City of Palos Verdes Estates, Palos Verdes Rec. Fac.	20,000
(13.1) County of Los Angeles, Topanga Beach	113,000
(13.2) La Canada Flintridge, La Canada Flintridge Recreation Facilities	59,000
(13.3) City of Maywood, Maywood Recreation Facilities	24,000
(13.4) City of Pasadena, Victory Park	22,000
(13.5) City of Rosemead, Garvey Park	124,000
Projects in Orange County	
(14) City of Garden Grove, Atlantis/ Garden Grove Parks	71,000
(15) City of Garden Grove, Garden Grove Parks	66,000
(16) City of Garden Grove, Twin Lakes Park	29,000

Item	Amount
(17) City of Garden Grove, West Haven Park	25,000
(18) City of Orange, Eisenhower Park	85,000
(19) County of Orange, Rossmoor Park	20,000
(19.1) City of Fullerton, Hillcrest Park	147,000
(19.2) City of Fullerton, West Coyote Hills Tree Park	230,000
Projects in Placer County	
(20) City of Roseville, Roseville Recreation Facilities	77,000
Projects in San Bernardino County	
(21) City of Ontario, Ontario Ball Park	145,000
(22) City of Upland, Upland Recreation Facilities	151,000
(22.1) Hisperia RPD, Herperial Park	75,000
Projects in San Diego County	
(23) City of Lemon Grove, Fireman's Park	90,000
(23.1) City of Santee, Mast Park	181,000
Projects in San Luis Obispo County	
(24) County of San Luis Obispo, CSA 9 Recreation Facilities	71,000
(25) County of San Luis Obispo, CSA 10 Recreation Facilities	20,000

Item	Amount
Projects in San Mateo County	
(26) Town of Woodside, Woodside Playfields	20,000
Projects in Santa Barbara County	
(26.1) City of Santa Barbara, Oak Park	20,000
(26.2) City of Santa Barbara, Hilda Ray Park	20,000
Projects in Santa Cruz County	
(27) City of Watsonville, Joyce/McKenzie Park	83,000
(27.1) City of Capitola, City Parks	32,000
(27.2) County of Santa Cruz, Valencia Hall	10,000
Projects in Stanislaus County	
(28) City of Modesto, Davis Park	46,000
(29) City of Modesto, Downey Park	46,000
Projects in Ventura County	
(29.1) County of Ventura, Ventura County Recreation Areas	182,000
Projects in Yolo County	
(30) East Yolo CSD, District Recreation Facilities	75,000

Provisions:

1. Funds appropriated in category (b) of this item shall be available for acquisition, development, rehabilitation, or any combination thereof, and are available for expenditure during the 1984–85, 1985–86, and 1986–87 fiscal years.

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2. The funds appropriated in category (b) for projects (2.1), (10.1), (13.1), (13.2), (13.3), (13.4), (13.5), (19.1), (19.2), (22.1), (23.1), (26.1), (26.2), (27.1), (27.2), and (29.1) shall be available only if there are sufficient funds in the local assistance allocation of the Parklands Fund of 1980 to cover these grants and all other grants that have been appropriated from this allocation.

PARKLANDS ACQUISITION AND DEVELOPMENT PROGRAM OF 1984

3790-101-722—For local assistance, Department of Parks and Recreation, payable from the Parklands Fund of 1984 22,500,000

Schedule:

(1) Roberti-Z'berg Urban Open Space and Recreation Program 22,500,000

STATE BEACH, PARK, RECREATIONAL, AND HISTORICAL FACILITIES BOND ACT OF 1964

3790-101-732—For grants to counties, cities, or cities and counties for acquisition, development, or acquisition and development, Department of Parks and Recreation, payable from the State Beach, Park, Recreational, and Historical Facilities Fund of 1964 330,000

Schedule:

(a) Project grants 330,000

Projects in Amador County:

(1) City of Ione, Preston Castle 35,000

Projects in Orange County:

(1) City of Garden Grove, Hare School Park 220,000

Projects in San Bernardino County:

(1) City of Fontana, Jurupa Hills Regional Park 75,000

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STATE BEACH, PARK, RECREATIONAL, AND HISTORICAL FACILITIES BOND ACT OF 1974

3790-101-733—For local assistance, Department of Parks and Recreation, payable from the State Beach, Park, Recreational, and Historical Facilities Fund of 1974 196,000

(a) Project review 44,000

(b) Project grants 152,000

Projects in Sacramento County

(1) County of Sacramento, Southgate Recreation and Park District 152,000

NEJEDLY-HART STATE, URBAN AND COASTAL PARK BOND ACT PROGRAM

3790-101-742—For local assistance, Department of Parks and Recreation, payable from the State, Urban and Coastal Park Fund 223,000

Schedule:

(a) Project review 149,000

(b) Project grants 74,000

Projects in Los Angeles County

(1) County of Los Angeles, Zuma Beach 25,000

(2) City of Walnut, Walnut Parks 29,000

Projects in Sacramento County

(1) County of Sacramento, Southgate Recreation and Park District 20,000

Provisions:

1. Funds appropriated in category (b) shall be available for acquisition, development, rehabilitation, or any combination thereof, and are available for expenditure during the 1984–85, 1985–86, and 1986–87 fiscal years.

3790-301-036—For capital outlay, Department of Parks and Recreation, payable from the Special Account for Capital Outlay 31,586,000

Schedule:

(1) Anderson Marsh—acquisition 920,000

(2) Ano Nuevo State Reserve—working drawings and construct day-use (phase II) 406,000

Item		Amount
(4) China Camp SP—working drawings and construct sewer system..		433,000
(5) Chino Hills Project—acquisition		4,570,000
(7) East Bay Shoreline Project—acquisition and development		2,500,000
(8) Folsom Lake SRA—working drawings for Negro Bar enhancement		69,000
(9) Fort Ross SHP—working drawings and construct campground rehabilitation		315,000
(9.5) Gilroy Hot Springs—Acquisition option		100,000
(10) Hearst San Simeon SHM—climate control study		81,000
(11) Hearst San Simeon SHM—continuing restoration.....		705,000
(12) Henry W. Coe SP—acquisition and development.....		300,000
(13) Humboldt Redwoods SP—working drawings and construct bank protection		950,000
(14) Indio Hills Palms—acquisition		410,000
(16) Malakoff Diggins SHP—sediment runoff study		75,000
(17) Minor projects		3,370,000
(a) Handicapped retrofit	200,000	
(b) Enroute camping	100,000	
(c) Retrofit visitor services facilities ..	200,000	
(d) Statewide minor projects.....	2,000,000	
(f) Natural systems rehabilitation	770,000	
(g) Energy conservation retrofits	100,000	
(18) Mokelumne River Project—acquisition		175,000
(18.5) Motion Picture Museum-site selection study		100,000
(19) Mt. San Jacinto—acquisition.....		570,000
(20) Pfeiffer Big Sur Project—working drawings and construct sewage treatment improvements.....		220,000
(23) San Diego Coast SB—construct day use parking and rehabilitation		1,768,000
(24) San Mateo Coast SB—construct access improvements		932,000

Item		Amount
(24.5) Santa Monica Mountains Area-acquisition		9,000,000
(27) Statewide storm damage repairs		1,030,000
(28) Statewide pier inspections—working drawings and emergency repairs		100,000
(29) Statewide replacement or rehabilitation of existing facilities		2,475,000
(a) San Clemente Campground-rehabilitation of campground	1,521,000	
(b) Manresa SB-repair and resurface parking lot	639,000	
(c) El Capitan SB-replacement of water lines	110,000	
(d) Van Damme SB-replacement of water lines	205,000	
(30) Woodson Bridge SRA—erosion control study		12,000

Provisions:

1. None of the funds appropriated for acquisition of parklands in this item shall be expended on the purchase of real property until the State Public Works Board has determined that the procedures and criteria established by the Attorney General relating to implied dedication and public prescriptive rights or claims have been complied with in the investigations and appraisals of the Department of General Services. All material relating to implied dedication and public prescriptive rights or claims shall be retained in the files of the Department of General Services and shall be available for postaudit on a selective basis by the Attorney General.
2. None of the funds appropriated in category (18) of this item for the acquisition of lands for inclusion in the Mokelumne River Project shall be encumbered unless and until an agreement is entered into with the U.S. Bureau of Land Management, or any other nonstate agency or department, for that nonstate entity to operate and maintain the project at no additional cost to the state.

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4. Prior to approving preliminary plans for Phase II of the Ano Nuevo project which is funded in category (2), the State Public Works Board shall determine the amount of savings resulting from the construction bid award for Phase I of the project (funded by Item 3790-301-721(q) of the Budget Act of 1983) and shall transfer the savings to the unappropriated surplus of the Parklands Fund of 1980, pursuant to Section 16351.5 of the Government Code.
5. Funds appropriated in Category (5) for acquisitions as additions to the Chino Hills State Park shall be encumbered subject to the following conditions:
   (a) The Shell Oil property which the state has an option to purchase for $2.55 million shall be the first priority for acquisition by the Department of Parks and Recreation.
   (b) A portion of the property commonly known as the Rimpau parcel, which the state has an option to purchase, shall be the second priority for acquisition by the Department of Parks and Recreation. However, a maximum of $2 million shall be expended from this item to purchase that portion of the option lands consisting of approximately 300 acres of land directly contiguous with existing state ownership, shown as parcels numbers 6, 7, 8 on the Department of Parks and Recreation acquisition drawing number 17539. If the owner has not reached agreement with the Department of Parks and Recreation on the basis of terms specified in this section by November 1, 1984, funds that would have been available for the acquisition of the property are hereby reappropriated for the acquisition of properties commonly known as Chevron, Lamb, Hobbs, Brown, or any other high priority property in the Chino Hills project area.
6. The funds provided in category (9.5) for Gilroy Hot Springs shall be effective only if the California Park and Recreational Facilities Act of 1984 is not approved by the electorate during the 1984 calendar year or only if the provisions of Item 3790-301-722 do not become operative. If that Bond Act is approved, and the provisions of Item 3790-301-722 become operative, the State

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Public Works Board shall revert the funds provided in this category.

7. Funds appropriated in category (24.5) for acquisition of lands in the Santa Monica Mountains Area shall be limited to $9 million and, notwithstanding Section 16352 of the Government Code, shall not be augmented.

3790-301-140—For capital outlay, Department of Parks and Recreation, payable from the California Environmental License Plate Fund 526,000

Schedule:

(1)	Kings Beach SRA—facility improvements	286,000
(2)	South Yuba Independence Trail—acquisition	240,000

3790-301-263—For capital outlay, Department of Parks and Recreation, payable from the Off-Highway Vehicle Fund 4,914,000

Schedule:

(1)	Carnegie SVRA—construct initial development	2,893,000
(3)	Ocotillo Wells SVRA—construct initial development	1,584,000
(4)	Minor projects	327,000
(5)	Preliminary planning	10,000
(6)	Opportunity purchases	100,000

Provisions:

1. Funds appropriated in category (6) for opportunity purchases are available for acquisition of lands contiguous to lands of the State Vehicular Recreation Area and Trail System from willing sellers only. No funds for an opportunity acquisition may be encumbered until the specific acquisition has been approved by the Off-Highway Motor Vehicle Recreation Commission.
2. Prior to Public Works Board approval of the preliminary plans for the Carnegie SVRA Initial Development Project, the board shall ascertain all of the following:
   (a) That the department has secured input from an advisory committee composed of local landowners and off-highway vehicle enthusiasts.
   (b) That adequate protection against brush fires has been included in the preliminary plans.
   (c) That overnight facilities are included in the

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preliminary plans, only if there are provisions for 24-hour staffing for the park.

(d) That adequate protection for erosion control shall be included in the preliminary plans for the project. The soil conservation service shall be consulted in developing an erosion control plan.

(e) That provisions for mesh net fencing along the perimeter boundary of the unit have been included in the preliminary plans for the project.

PARKLANDS FUND OF 1980

PROGRAM

3790-301-721—For capital outlay, Department of Parks and Recreation, payable from the Parklands Fund of 1980 1,876,000

Schedule:

(1) Design and construction planning 1,876,000

PARKLANDS ACQUISITION AND DEVELOPMENT PROGRAM OF 1984

3790-301-722—For capital outlay, Department of Parks and Recreation, payable from the Parklands Fund of 1984 14,911,000

Schedule:

(1) Gilroy Hot Springs—acquisition ..		2,000,000
(2) Cascade Ranch—acquisition		6,000,000
(3) Candlestick Point State Recreation Area—working drawings and construct day-use, parking and landscaping		1,660,000
(6) Colonel Allensworth SHP—building reconstruction		200,000
(9.7) Governor's Mansion—restoration and renovation		400,000
(22) Preliminary planning		125,000
(25) Seccombe Lake SURA—phase II development		3,176,000
(26) Statewide acquisition costs		1,100,000
(a) Acquisition costs ..	115,000	
(b) Prebudget appraisals	95,000	
(c) In-holdings.....	320,000	
(d) Opportunity purchases	570,000	

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(27.5) Little Franks Tract SRA—storm damage repair 250,000

Provisions:

1. None of the funds appropriated for acquisition of parklands in this item shall be expended on the purchase of real property until the State Public Works Board has determined that the procedures and criteria established by the Attorney General relating to implied dedication and public prescriptive rights or claims have been complied with in the investigations and appraisals of the Department of General Services. All material relating to implied dedication and public prescriptive rights or claims shall be retained in the files of the Department of General Services and shall be available for postaudit on a selective basis by the Attorney General.
2. Notwithstanding Section 2.00 of this act, funds, appropriated in category (26) for acquisition costs, prebudget appraisals, in-holding and opportunity purchases shall be available for expenditure only during the 1984–85 fiscal year.
3. None of the funds appropriated in category (25) for Seccombe Lake State Urban Recreation Area may be encumbered until the Department of Parks and Recreation revises the general development plan for this park and approves a final general development plan that can be fully implemented without additional state funds for acquisition or development beyond the amounts appropriated in this item and in prior outstanding appropriations.

   It is the intent of the Legislature that the funds provided in this item shall be the final state allocation for acquisition or development at Seccombe Lake SURA and that no additional state funds shall be provided for acquisition or development at that unit.
4. No funds appropriated pursuant to category (27.5) for the repair of levees at Little Franks Tract shall be available for expenditure until all funds provided by the Federal Emergency Management Agency for the 1984–85 fiscal year for the repair of Little Franks Tract levees have been encumbered.

Item Amount

RECREATION AND FISH AND WILDLIFE ENHANCEMENT FUND

3790-301-728—For capital outlay, Department of Parks and Recreation, payable from the Recreation and Fish and Wildlife Enhancement Fund 750,000
Schedule:
(1) San Luis Reservoir SRA—campground improvements 750,000

STATE BEACH, PARK, RECREATIONAL, AND HISTORICAL FACILITIES BOND ACT OF 1974 PROGRAM

3790-301-733—For capital outlay, Department of Parks and Recreation, payable from the State Beach, Park, Recreational, and Historical Facilities Fund of 1974 376,000
Schedule:
(1) Design and construction planning 264,000
(2) Mission Adobe—historical and archeological research 112,000

NEJEDLY-HART STATE, URBAN, AND COASTAL PARK BOND ACT PROGRAM

3790-301-742—For capital outlay, Department of Parks and Recreation, payable from the State, Urban, and Coastal Park Fund..... 4,533,000
Schedule:
(1) El Presidio de Santa Barbara—acquisition 2,000,000
(2) McGrath SB—working drawings and construct campground addition 1,000,000
(3) Santa Monica Mountains—day-use and camping..... 1,237,000
(4) Design and construction planning 246,000
(5) Folsom Lake SRA-Lake Natomas Indian Museum 50,000

3790-301-890—For capital outlay, Department of Parks and Recreation, payable from the Federal Trust Fund 730,000
Schedule:
(1) California Redwoods Parks—acquisition 250,000
(2) Portola State Park—acquisition 230,000
(3) Big Basin Redwoods State Park—acquisition 200,000

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(4) Anza-Borrego Desert State Park—acquisition 50,000

3790-490—Reappropriation, Department of Parks and Recreation Notwithstanding any other provisions of law, the unencumbered balances, on the effective date of this Act, of the appropriations provided in the following citations, are reappropriated for the purposes (and subject to the limitations unless otherwise specified) provided for in such appropriations, and shall be available for expenditure until June 30, 1985.

140—California Environmental License Plate Fund:

(1) Section 7(a) (2), Chapter 903, Statutes of 1982, Bridgeport Covered Bridge S.H.L.—picnicking and road access areas.

263—Off-Highway Vehicle Fund:

(1) Item 403.5(b), Budget Act of 1977, Hungry Valley SVRA—planning and operations.

(2) Item 466(a), Budget Act of 1979, Pismo Dunes SVRA—acquisition.

(3) Section 6(b), Chapter 809, Statutes of 1980, California OHV Recreation and Trail Study.

(4) Item 3790-301-263(a), Budget Act of 1982, Hungry Valley SVRA—equipment, Off-Highway vehicle area.

(5) Item 3790-301-263(b), Budget Act of 1983, Pismo Dunes SVRA, Dune Revegetation and Stabilization—Working Drawings and Construction.

(7) Section 7(a), Chapter 1298, Statutes of 1983, Capital Outlay Projects at Hungry Valley SVRA.

(7.1) Item 3790-301-263(g), Budget Act of 1983, Minor Projects.

392—State Park and Recreation Fund

(1) Item 379-301-392(h), Budget Act of 1981, Hearst San Simeon SHM—rehabilitation and repair.

(2) Item 379-301-392(z), Budget Act of 1981, Railtown—acquisition and development.

(3) Item 3790-301-392(n), Budget Act of 1983, Statewide Storm Damage.

721—Parklands Fund of 1980

(1) Item 379-301-721(c), Budget Act of 1981, Sinkyone Wilderness SP—preliminary planning and construction.

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(2) Item 379-301-721 (m), Budget Act of 1981, Verdugo Hills—acquisition; provided that the funds for this project may only be expended in an amount equal to the amount expended by local government for this same project.

(3) Item 379-301-721 (n), Budget Act of 1981, Sinkyone Wilderness SP—acquisition.

(4) Item 379-301-721 (p), Budget Act of 1981, Folsom Lake SRA—construction of day-use facilities—Beals Point.

(5) Item 379-301-721 (q), Budget Act of 1981, Malibu Creek SP—construction of day-use facilities.

(6) Item 3790-301-721 (b), Budget Act of 1982, Angel Island SP—working drawings for restoration.

(7) Item 3790-301-721 (j), Budget Act of 1982, Humboldt Redwoods SP—bank protection study.

(8) Item 3790-301-721 (bb), Budget Act of 1982, Baldwin Hills Project—preliminary plans, working drawings, and construct Phase I development.

(9) Item 3790-301-721 (ss), Budget Act of 1982, Fresno Agricultural Museum—development; provided that if sufficient funds are not available in the Parklands Fund of 1980, the balance of funds may be provided by other bond funds pursuant to Section 28 of this act. These funds shall be allocated and encumbered on a matching basis in incremental amounts, as determined by the Department of Parks and Recreation in order to accomplish the project, provided that up to $250,000 of these funds may be expended without a matching requirement for stabilization and clean-up as identified in the California Agricultural Museum Study dated June, 1984, prepared by the Department of Parks and Recreation.

(10) Item 3790-301-721 (aaa), Budget Act of 1982, Hearst San Simeon SHM—construct visitor center.

(11) Item 3790-304-721 (a), Budget Act of 1982, as added by Chapter 1540, Statutes of 1982, Emma Wood State Beach—development and restoration.

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(12) Item 3790-301-721(e), Budget Act of 1983, Old Town San Diego SHP. Construct Rose-Robinson Building, Franklin/Colorado House, Alvarado family property, and Alvarado Lucia House.

(13) Item 3790-301-721(k), Budget Act of 1983, Sinkyone Wilderness SP—camps and trail construction.

(14) Item 3790-301-721(m-2), Budget Act of 1983, Minor Project, Enroute Camping.

(14.1) Item 3790-301-721(m-4), Budget Act of 1983, Minor Projects—retrofit visitor services facilities.

(15) Item 3790-301-721(r), Budget Act of 1983, Seccombe Lake SVRA—acquisition and development.

(16) Item 3790-311-721(a), Budget Act of 1983, Seccombe Lake SVRA—acquisition and development.

(16.1) Item 379-301-721(o), Budget Act of 1981, Crystal Cove SB—preliminary plans, working drawings, and construction.

728—Recreation and Fish and Wildlife Enhancement Fund:

(1) Item 3790-301-728(c), Budget Act of 1983, Lake Del Valle SRA—development, working drawings and construction.

732—State Beach, Park, Recreational, and Historical Facilities Fund of 1964

(1) Item 403.1J(a), Budget Act of 1976 as added by Chapter 1379, Statutes of 1976, Delta Meadows —land acquisition.

(2) Item 495.5B(b), Chapter 1085, Statutes of 1979, Seccombe Lake SVRA—general plan development.

(3) Item 573(b), Budget Act of 1980, Relocation Assistance.

(3.1) Item 3790-301-732(b), Budget Act of 1983, Minor Projects.

733—State Beach, Park, Recreational, and Historical Facilities Bond Act of 1974

(1) Item 503(d), Budget Act of 1978, Monterey SHP—Cooper-Molera restoration.

742—State Urban and Coastal Park Fund:

(1) Item 443.2B(d), Budget Act of 1977, as added by Chapter 1109, Statutes of 1977, Garrapata Beach—acquisition.

(1.1) Item 512(d), Budget Act of 1978, Malibu Creek SP—Phase I, construction.

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(2) Item 508(d), Budget Act of 1979, Little Sur River—acquisition.

(3) Item 508(h), Budget Act of 1979, Irvine Coast —acquisition.

(4) Item 508(i), Budget Act of 1979, Santa Monica Mountains Zone—backbone trail, viewshed of Malibu Creek SP and Stunt Road zone.

(5) Item 508(l), Budget Act of 1979, option purchases.

(6) Item 507.5B(a), Budget Act of 1979, as added by Chapter 372, Statutes of 1980—acquisition of land, leases, and other interests in land; acquisition and development of recreation facilities at Lake Elsinore SRA.

(7) Item 585(b), Budget Act of 1980, Candlestick Point SRA—day use construction.

(8) Item 585(c), Budget Act of 1980, Castaic Lake SRA—working drawings and construction.

(9) Item 585(d), Budget Act of 1980, China Camp SP—working drawings and construction.

(10) Item 585(k), Budget Act of 1980, augmentation for land acquisition, condemnation proceedings for State, Urban, and Coastal Park Fund projects.

(11) Item 585(*l*), Budget Act of 1980, relocation assistance.

(12) Item 379-301-742(b), Budget Act of 1981, Pyramid Reservoir—construction of camping and day-use facilities.

3790-491—Reappropriation, Department of Parks and Recreation. Notwithstanding any other provisions of law, the unencumbered balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes (and subject to the limitations unless otherwise specified) provided for in such appropriations, and shall be available for expenditure until June 30, 1985.

190—Resources Account, Energy and Resources Fund:

(1) Item 3790-101-190(a), Budget Act of 1982, Roberti-Z'berg Urban Open-Space and Recreation Program.

(2) Item 3790-101-190(a), Budget Act of 1983, Roberti-Z'berg Urban Open-Space and Recreation Program.

263—Off-Highway Vehicle Fund

(1) Item 228(a), Budget Act of 1977, County of Riverside, De Anza Motorcycle Park.

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(2) Item 228(g), Budget Act of 1977, County of Sacramento, Off-Road Vehicle Park Development Phase I.
(3) Item 228(j), Budget Act of 1977, Los Angeles County Flood Control District, San Gabriel River Off-Highway Vehicle Staging Area.
(4) Item 223(a), Budget Act of 1978, County of Monterey, Laguna Seca Mini Bike Course.
(5) Item 223(e), Budget Act of 1978, County of Riverside, De Anza Motorcycle Park, II.
(6) Chapter 759, Statutes of 1979, Riverside County, De Anza Motorcycle Park.
(7) Item 235.1(a), Budget Act of 1979, Hope Valley Snowmobile Parking Development.
(8) Item 235.1(b), Budget Act of 1979, Hope Valley Snowmobile Parking/Snow Removal.
(9) Item 235.2(a), Budget Act of 1979, U.S. Forest Service, Los Padres National Forest OHV Facilities.
(10) Item 235.2(d), Budget Act of 1979, Bureau of Land Management, Riverside District OHV Facilities.
(11) Item 235.2(f), Budget Act of 1979, Bureau of Land Management, Ukiah District OHV Facilities.
(12) Item 260.1(h), Budget Act of 1980, Tahoe National Forest OHV Facilities.
(13) Item 379-101-263(h), Budget Act of 1981, U.S. Forest Service, Los Padres National Forest.

721—Parklands Fund of 1980

(1) Item 379-101-721(b), Budget Act of 1981, Roberti-Z'berg Urban Open-Space and Recreation Program Grants—Administration.
(2) Item 379-101-721(c)(2), Budget Act of 1981, City of Albany, Middle School Park.
(3) Item 379-101-721(c)(10), Budget Act of 1981, City of Fremont, Central Park.
(4) Item 379-101-721(c)(57), Budget Act of 1981, Brentwood Recreation and Park District, Brentwood District Parks.
(5) Item 379-101-721(c)(59), Budget Act of 1981, County of Contra Costa, Clyde Neighborhood Park.
(6) Item 379-101-721(c)(82), Budget Act of 1981, City of Firebaugh, Dunkle Park.
(7) Item 379-101-721(c)(101), Budget Act of 1981, County of Glenn, Sacramento River Recreation Area.

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(8) Item 379-101-721 (c) (143), Budget Act of 1981, City of Duarte, Encanto Park.

(9) Item 379-101-721 (c) (174), Budget Act of 1981, County of Los Angeles, Catalina Island.

(10) Item 379-101-721 (c) (179), Budget Act of 1981, County of Los Angeles, Malibu Local Park.

(11) Item 379-101-721 (c) (217.3), Budget Act of 1981, City of Ukiah, Community Softball/Soccer Complex.

(12) Item 379-101-721 (c) (217.6), Budget Act of 1981, Anderson Valley CSD, Recreation Facilities.

(13) Item 379-101-721 (c) (219), Budget Act of 1981, City of Dos Palos, Dos Palos Park.

(14) Item 379-101-721 (c) (220), Budget Act of 1981, City of Livingston, Livingston Memorial Park.

(15) Item 379-101-721 (c) (226), Budget Act of 1981, City of Greenfield, Greenfield Parkland.

(16) Item 379-101-721 (c) (243), Budget Act of 1981, City of St. Helena, St. Helena Parks.

(17) Item 379-101-721 (c) (278.6), Budget Act of 1981, City of Santa Ana, Santa Ana Recreation Facilities.

(18) Item 379-101-721 (c) (393.1), Budget Act of 1981, City of Imperial Beach, Imperial Beach Development.

(19) Item 379-101-721 (c) (396), Budget Act of 1981, County of San Joaquin, Regional Sports Complex.

(20) Item 379-101-721 (c) (397), Budget Act of 1981, City of Stockton, Regional Sports Complex.

(21) Item 379-101-721 (c) (419), Budget Act of 1981, City of Guadalupe, Central Park.

(22) Item 379-101-721 (c) (455), Budget Act of 1981, County of Shasta, BMX Bicycle Track.

(23) Item 379-101-721 (c) (483), Budget Act of 1981, Weaverville-Douglas City Recreation District, Lee Fong Park.

(24) Item 379-101-721 (c) (486), Budget Act of 1981, City of Farmersville, Ash Street Park.

(25) Item 379-101-721 (c) (490), Budget Act of 1981, City of Visalia, Whitendale Park.

(26) Item 379-101-721 (c) (499), Budget Act of 1981, City of Port Hueneme, Port Hueneme Recreation Center.

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3790-495—Reversions, Department of Parks and Recreation. As of June 30, 1984, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made.

140—California Environmental License Plate Fund:

(1) Section 7(a)(1), Chapter 903, Statutes of 1982, South Yuba Independence Trail—acquisition

392—State Park and Recreation Fund

(1) Section 2(a), Chapter 744, Statutes of 1975, San Mateo County Trails.

(2) Section 4(h), Chapter 809, Statutes of 1980, Malakoff Diggins SHP.

(3) Item 379-301-392(j), Budget Act of 1981, Columbia SHP—construction of theatre and saloon.

(4) Item 379-301-392(p), Budget Act of 1981, Inholding Purchases.

(5) Item 379-301-392(q), Budget Act of 1981, Opportunity Purchases.

(6) Item 379-301-392(r), Budget Act of 1981, Acquisition Costs.

(7) Item 379-301-392(s), Budget Act of 1981, Prebudget Appraisal Costs.

(8) Item 379-301-392(aa), Budget Act of 1981, Relocation Expenses.

(9) Item 3790-301-392(f), Budget Act of 1982, Minor Projects.

(10) Item 3790-301-392(j), Budget Act of 1982, Statewide—working drawings and construct storm damage.

721—Parklands Fund of 1980:

(1) Item 379-301-721(f-3), Budget Act of 1981, Minor Projects: volunteer projects.

(2) Item 379-301-721(b), Budget Act of 1981, Humboldt Lagoons—acquisition.

(3) Item 379-301-721(j), Budget Act of 1981, Chino Hills Project—acquisition.

(4) Item 379-301-721(*l*), Budget Act of 1981, Mount Diablo—acquisition.

(6) Item 379-301-721(r), Budget Act of 1981, Angel Island SP—construction of day-use facilities.

(7) Item 3790-301-721(d), Budget Act of 1982, Bidwell River Park—acquisition.

(8) Item 3790-301-721(g), Budget Act of 1982, El Presidio de Santa Barbara—acquisition.

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(9) Item 3790-301-721 (*l*), Budget Act of 1982, Indio Hills Palms—acquisition.

(10) Item 3790-301-721 (t), Budget Act of 1982, San Pedro Beach—acquisition.

(11) Item 3790-301-721 (v), Budget Act of 1982, Santa Susana Mountains Project—acquisition.

(12) Item 3790-301-721 (w-4), Budget Act of 1982, Minor Projects: Volunteer Projects.

(13) Item 3790-301-721 (cc), Budget Act of 1982, Chino Hills Project—acquisition.

(14) Item 3790-301-721 (nn), Budget Act of 1982, Chino Hills Project—acquisition.

(15) Item 3790-301-721 (zz), Budget Act of 1982, South Monterey Bay Dunes—acquisition.

(16) Item 3790-301-721 (f), Budget Act of 1983, Statewide—preliminary planning.

(17) Item 3790-301-721 (m-1), Budget Act of 1983, Minor Projects: Handicap Retrofit.

(19) Item 3790-301-721 (m-3), Budget Act of 1983, Minor Projects: Environmental Camping.

(21) Item 3790-301-721 (n), Budget Act of 1983, Design and Construction Planning.

(21.1) Item 3790-301-721 (h), Budget Act of 1983, San Diego Coast SB—working drawings and construct day use parking and rehabilitation, except that the amount reverted shall be $525,000.

728—Recreation and Fish and Wildlife Enhancement Fund:

(1) Item 3790-301-728 (a), Budget Act of 1983, Design and Construction Planning.

732—State Beach, Park, Recreational, and Historical Facilities Fund of 1964:

(1) Item 3790-301-732 (a), Budget Act of 1983, Design and Construction Planning.

733—State Beach, Park, Recreational, and Historical Facilities Bond Act of 1974:

(1) Item 435 (g), Budget Act of 1977, Fort Ross SHP—Kuskov House restoration, interpretation, archaeology.

(2) Item 435 (q), Budget Act of 1977, Topanga SP —trails, sanitary facilities, parking, working drawings, and construction.

(3) Item 503 (*l*), Budget Act of 1978, San Juan Bautista SHP—Plaza Hotel restoration.

(4) Item 578 (b), Budget Act of 1980, Angel Island —sewer construction.

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(5) Item 3790-301-733(b), Budget Act of 1983, Old Sacramento SHP—planning for a new orientation film at the State Railroad Museum.

(6) Item 3790-301-733(c), Budget Act of 1983, Design and Construction Planning.

742—State Urban and Coastal Park Fund:

(2) Item 585(n), Budget Act of 1980, El Capitan SB—land acquisition.

(3) Item 3790-301-742(a), Budget Act of 1983, project planning and design.

(4) Item 3790-301-742(d), Budget Act of 1983, California Agricultural Museum—study.

952—State Park Contingent Fund:

(1) Item 3790-301-952(c), Budget Act of 1982, Jedediah Smith Redwoods SP.

3790-496—Reversion, Department of Parks and Recreation. As of June 30, 1984, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made.

263—Off-Highway Vehicle Fund:

(1) Chapter 759, Statutes of 1979, Riverside County, De Anza Cycle Park.

(2) Item 235.2(a), Budget Act of 1979. U.S. Forest Service, Los Padres National Forest OHV Facilities.

(3) Item 235.2(b), Budget Act of 1979. Bureau of Land Management, Bakersfield District OHV Facilities.

(4) Item 235.2(c), Budget Act of 1979. Bureau of Land Management, Inter-District OHV Facilities.

(5) Item 235.2(d), Budget Act of 1979. Bureau of Land Management, Riverside District OHV Facilities.

(6) Item 235.2(e), Budget Act of 1979. Bureau of Land Management, Folsom District OHV Facilities.

(7) Item 260.1(g), Budget Act of 1980. City of Marysville, Riverfront Off-Highway Vehicle Park.

(8) Item 260.1(i), Budget Act of 1980. U.S. Forest Service, Lake Tahoe Basin Management Unit, OHV Facilities.

(9) Item 260.1(j), Budget Act of 1980. U.S. Forest Service, Inyo National Forest OHV Facilities.

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(10) Item 260.1 (k), Budget Act of 1980. U.S. Forest Service, El Dorado National Forest OHV Facilities.

(11) Item 260.1 (*l*), Budget Act of 1980. U.S. Forest Service, Sierra National Forest OHV Facilities.

(12) Item 260.1 (o), Budget Act of 1980. Bureau of Land Management, Folsom District OHV Facilities.

(13) Item 260.1 (p), Budget Act of 1980. Bureau of Land Management, Bakersfield District OHV Facilities.

(14) Item 260.1 (r), Budget Act of 1980. Bureau of Land Management, Riverside District OHV Facilities.

(15) Item 3790-101-263 (b), Budget Act of 1982. County of Los Angeles, Baldwin Park OHV Park.

(16) Item 3790-101-263 (d), Budget Act of 1982. City of Porterville, Porterville Regional OHV Park.

721—Parklands Fund of 1980:

(1) Item 379-101-721 (c) (278.15), Budget Act of 1981, County of Orange, Montecito Community Center.

(2) Item 379-101-721 (c) (359), Budget Act of 1981, City of Upland, Eleventh Street Park.

(3) Item 379-101-721 (c) (366), Budget Act of 1981, City of Lemon Grove, Eppick Park.

(4) Item 379-101-721 (c) (476.2), Budget Act of 1981, City of Modesto, Roselle Neighborhood Park.

(5) Item 3790-101-721 (b) (42), Budget Act of 1983, City of Garden Grove, Parks Rehabilitation.

(6) Item 379-101-721 (c) (28), Budget Act of 1981, Hayward Area Recreation and Park District, Tenneyson Swim Center.

(7) Item 379-101-721 (c) (115), Budget Act of 1981, Westside Recreation and Park District, Main Street Recreation Center.

(8) Item 379-101-721 (c) (178), Budget Act of 1981, County of Los Angeles, Malibu Beaches.

(9) Item 379-101-721 (c) (186), Budget Act of 1981, City of Maywood, Maywood Park.

(10) Item 379-101-721 (c) (195), Budget Act of 1981, City of Pasadena, Allendale Park.

(11) Item 379-101-721 (c) (201), Budget Act of 1981, City of Rosemead, Zapopan Center.

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(12) Item 379-101-721 (c) (360.3) Budget Act of 1981, Hesperia Recreation and Park District, Hesperia High School Park.
(13) Item 379-101-721 (c) (343), Budget Act of 1981, City of Ontario, Colony Park.
(14) Item 379-101-721 (c) (344), Budget Act of 1981, City of Ontario, DeAnga Park.
(15) Item 379-101-721 (c) (506), Budget Act of 1981, County of Ventura, Oakbrook Regional Park.
(16) Item 3790-101-721 (b) (70), Budget Act of 1982, City of Fullerton, West Coyote Hills Park.
(17) Item 3790-101-721 (b) (122), Budget Act of 1982, City of Capitola, Noble Gulch Park.
(18) Item 3790-101-721 (b) (127), Budget Act of 1982, County of Santa Cruz, Veteran's Memorial Building.
(19) Item 3790-101-721 (b) (64), Budget Act of 1983, City of Santa Barbara, Skofield Park.

742—State, Urban, and Coastal Park Fund:
(1) Item 3790-101-742 (10), Budget Act of 1983, City of Walnut, Butterfield Park.

3810-001-001—For support of Santa Monica Mountains Conservancy 279,000

Schedule:

(a) 100000-Personal Services	323,000
(b) 300000-Operating Expenses and Equipment	282,000
(c) Amount payable from the Santa Monica Mountains Conservancy Fund (Item 3810-001-941)	−211,000
(d) Amount payable from the Special Account for Capital Outlay (Item 3810-301-036)	−100,000
(e) Amount payable from the Parklands Fund of 1984 (Item 3810-301-722)	−15,000

Provisions:

1. The Santa Monica Mountains Conservancy shall include in each contract transferring title of state property to the National Park Service a provision which assures that the property will be operated and maintained in a manner suitable for public park and recreational use.

3810-001-941—For support of the Santa Monica Mountains Conservancy, to be transferred to Item 3810-001-001, payable from the Santa Monica Mountains Conservancy Fund 211,000

Item		Amount
3810-301-036—For capital outlay and local assistance, Santa Monica Mountains Conservancy, payable from the Special Account for Capital Outlay, General Fund		5,000,000
Schedule:		
(a) Arroyo Sequit Ranch—Acquisition	1,650,000	
(b) Lower Corral Canyon—Acquisition	2,700,000	
(c) Capital Outlay and Local Assistance Grants pursuant to Division 23 of the Public Resources Code	550,000	
(d) Project planning and design, to be transferred to Item 3810-001-001	100,000	

Provisions:

1. The Conservancy may transfer funds between categories (a) and (b), and from category (c) to augment categories (a) and (b), not sooner than 30 days following notification in writing by the Director of Finance to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairperson of the joint committee, or his or her designee, may determine.
2. In the event that the Conservancy finds that a project in category (a) or (b) can be completed for less than the anticipated amounts, or cannot be completed, funds may be redirected to other projects, not sooner than 30 days following notification in writing by the Director of Finance to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairperson of the joint committee, or his or her designee, may determine.

PARKLANDS ACQUISITION AND DEVELOPMENT PROGRAM OF 1984

3810-301-722—For capital outlay, Santa Monica Mountains Conservancy, payable from the Parklands Fund of 1984		2,285,000
Schedule:		
(e) Deer Creek Ranch—Acquisition	2,285,000	
3810-301-941—For capital outlay and local assistance grants, payable from the Santa Monica Mountains Conservancy Fund		700,000

Item		Amount
Schedule:		
(a) Capital Outlay and grants pursuant to Division 23 of the Public Resources Code	700,000	
Provisions:		
1. An amount not to exceed $60,000 shall be transferred to Item 3810-001-001 to provide for project planning and design costs associated with this item. This amount shall be transferred not sooner than 30 days following notification in writing by the Director of Finance to the chairperson of the committee in each house which considers appropriations and to the Chairperson of the Joint Legislative Budget Committee, or a lesser time as designated by the chairperson of the joint committee, or his or her designee, may determine.		
3820-001-001—For support of San Francisco Bay Conservation and Development Commission		1,067,000
Schedule:		
(a) 100000-Personal Services	900,000	
(b) 300000-Operating Expenses and Equipment	342,000	
(c) Reimbursements	−175,000	
3860-001-001—For support of Department of Water Resources		22,438,000
Schedule:		
(a) 10-Continuing Formulation of the California Water Plan	11,419,000	
(b) 20-Implementation of the State Water Resources Development System	270,000	
(c) 30-Public Safety and Prevention of Damage	13,604,000	
(d) 40-Services	3,848,000	
(e) 50.01-Management and Administration	23,687,000	
(f) 50.02-Distributed Management and Administration	−23,687,000	
Reimbursements	−6,703,000	
Provisions:		
1. The amounts appropriated in Items 3860-001-001 to 3860-001-940, inclusive, shall be transferred to the Water Resources Revolving Fund (691) for direct expenditure in such amounts as the Department of Finance may authorize, including cooperative work with other agencies. The money so transferred shall be placed in a special		

Item Amount

account in that fund and shall not be available for expenditure after June 30, 1985. Any unencumbered balances shall be returned to the appropriate funds as of June 30, 1985. Expenditures for technical services and general management charged to programs from all support appropriations for the Department of Water Resources in this act shall not exceed $16,820,000 and $9,541,000, respectively, without prior approval of the Department of Finance.

3. Of the $200,000 appropriated by this item in Program 10 for Urban Landscaping Water Conservation, first priority shall be given to contracts with other state agencies for this program activity. The Department of Finance may transfer any of the remaining funds to Item 3860-101-001 for the purpose of making local assistance grants available for this water conservation activity.
4. Notwithstanding provisions of Chapter 40 of the Statutes of 1983, $212,000 of the amount appropriated under category (c) of this item shall be expended as needed by the Department of Water Resources for the control and removal of flood waters at Lake Elsinore during 1984–85.

3860-001-140—For support of Department of Water Resources, Program 10—Continuing Formulation of the California Water Plan, payable from the California Environmental License Plate Fund 1,038,000

Provisions:

1. Provision 1 of Item 3860-001-001 shall also be applicable to this item.

3860-001-890—For support of Department of Water Resources, payable from the Federal Trust Fund 549,000

Schedule:

(a) 10-Continuing Formulation of the California Water Plan	231,000
(b) 30-Public Safety and Prevention of Damage	266,000
(c) 40-Services	52,000

Provisions:

1. Provision 1 of Item 3860-001-001 shall also be applicable to this item.

3860-001-940—For support of Department of Water Resources, Program 10—Continuing Formulation of the California Water Plan, payable from the Renewable Resources Investment Fund 402,000

Provisions:

1. Provision 1 of Item 3860-001-001 shall also be applicable to this item.

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3860-101-001—For local assistance, Department of Water Resources, Program 30—Public Safety and Prevention of Damage 18,200,000

Provisions:

1. For expenditure by the Department of Water Resources, in accordance with Chapter 1 (commencing with Section 12570), 2 (commencing with Section 12639), 3 (commencing with Section 12800), 3.5 (commencing with Section 12840), and 4 (commencing with Section 12850) of Part 6 of Division 6 of the Water Code, for payment of, and for reimbursement for necessary advances made for, the cost of cooperation by the state for major flood control projects adopted by the Legislature, for small flood control projects approved under Section 12750 of the Water Code, and for watershed protection and flood prevention projects as authorized pursuant to Chapter 4 (commencing with Section 12850) of Part 6 of Division 6 of the Water Code, and administrative costs.
2. The funds appropriated by this item are available only for payment of claims for reimbursement which have been audited by the Controller's office or for partial payment (90 percent of the amount recommended by the Department of Water Resources) of claims for reimbursement which have been under review for nine months. No expenditures shall be made until the local organizations give assurances that they will maintain and operate the projects after completion in a manner which will accomplish the purposes for which the projects were authorized and constructed and as may be required by the federal agencies concerned and the Department of Water Resources, and that the local organizations will hold and save the State of California free from damages or claims due to the construction, installation, or operation of the project.

3860-301-001—For Capital Outlay, Department of Water Resources 250,000

Schedule:

(a) San Joaquin River Channel Project 250,000

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Provisions:

1. The funds appropriated in this item shall be expended only if AB 3397 is chaptered during the 1983–84 Regular Session and there is an appropriation of federal funds for this project.

3860-301-036—For capital outlay, Department of Water Resources, payable from the Special Account for Capital Outlay 4,460,000

Schedule:

(1) Minor Projects
  (a) Knights Landing Outfall Gates 75,000
(2) Sacramento-San Joaquin River Bank Protection Program 2,150,000
(3) Fairfield Stream Group Project.... 2,235,000

Provisions:

1. The amount appropriated in category (2) of this item is for acquisition of land, easements and rights-of-way, including but not limited to, borrow pit, spoil areas and easements for levees, clearing, flood control works and flowage, and for appraisals, surveys, and engineering studies necessary for the completion or operation of the projects in the Sacramento and San Joaquin watersheds as authorized by Section 8617.1 and Chapters 1 (commencing with Section 12570), 2 (commencing with Section 12639), 3 (commencing with Section 12800), 3.5 (commencing with Section 12840), and 4 (commencing with Section 12850) of Part 6 of Division 6 of the Water Code; and for advances to the federal government or payments to the federal government or others for incidental construction or reconstruction items which are an obligation of the state in connection with the completion or operation of the following projects and for materials and necessary construction, reconstruction, relocation, or alterations to highways, railroads, bridges, powerlines, communication lines, pipelines, irrigation works and other structures and facilities and for appraisals, surveys, and engineering studies incidental thereto.
2. Of the funds appropriated in project (a) of category (1) of this item, $18,000 shall be for the support of 0.2 personnel years.

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3. Notwithstanding the provisions of Section 2.00, the amounts appropriated in categories (2) and (3) of this item shall be available for expenditure only during the 1984–85 fiscal year.

3860-495—Reversion, Department of Water Resources. As of June 30, 1984, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made.

742—State, Urban and Coastal Park Fund.

(1) Item 3860-301-742(b), Budget Act of 1982, Oroville Wildlife Area—land acquisition.

3940-001-001—For support of State Water Resources Control Board 17,243,000

Schedule:

(a) 10-Water Quality	15,777,000
(b) 20-Water Rights	6,083,000
(c) 30.01-Administration	3,849,000
(d) 30.02-Distributed Administration	−3,849,000
(e) Reimbursements	−4,617,000

Provisions:

1. Before any expenditures are made to expand or enhance the AWRIS project the State Water Resources Control Board must adhere to all State Administrative Manual requirements relating to EDP, including obtaining Department of Finance approval of a Feasibility Study Report, a Critical Design Review and any additional requirements which the Department of Finance determines to be necessary. In addition, the $317,000 budgeted for enhancement of the AWRIS project may be encumbered not sooner than 30 days after the Department of Finance has provided the Joint Legislative Budget Committee with an approved feasibility report in support of further automation, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine.
2. $110,000 of the amount appropriated for category (a) 10-Water Quality shall be used for the implementation of SB 2193 of the 1983–84 Regular Session if the bill is enacted into law.
3. $800,000 of the funds appropriated by this item shall be used to establish positions in the Regional Water Control Boards on or after January 1, 1985, according to the following schedule:
   (a) 23 positions for waste discharge orders.
   (b) 9 positions for fee collection.

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4. By November 1, 1984, the State Board shall submit a detailed work plan for each of the Regional Water Quality Control Boards to the Joint Legislative Budget Committee. Each work plan shall include workload standards for all major regulatory activities relating to:
   (a) The update or revision of all waste discharge requirements that are more than five years old and the update of requirements for high-priority facilities.
   (b) The issuance of waste discharge requirements to all facilities which treat, store or dispose of hazardous wastes.
   (c) The review and analysis of self-monitoring reports.
   (d) The development of inspection guidelines, a three-year inspection schedule, and detailed procedures for following up on violations discovered during inspections.
   (e) Procedures for responding to complaints and tips about illegal discharges of pollutants.
   (f) Investigation of toxic dump sites which are suspected sources of groundwater resulting from the production, use and disposal of toxic substances.
   (g) The identification and mitigation of all major threats to groundwater resulting from the production, use and disposal of toxic substances.
   (h) The supervision of all major cleanup projects at hazardous waste sites for which the regional board has the lead responsibility.
5. Expenditure of the funds specified in Provision 3, shall occur not sooner than 30 days after the Director of Finance has notified the Chairperson of the Joint Legislative Budget Committee or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine.
6. $80,000 of the funds appropriated by this item shall be transferred to the Commission on Government Organization and Economy for an independent study on how to eliminate the overlapping responsibilities of the Department of Health Services and the Regional Water Qual-

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ity Control Boards in the regulation of hazardous waste facilities. The commission shall develop specific recommendations to classify the respective responsibilities of the two agencies, eliminate duplication in permitting, inspections, enforcement and cleanup of hazardous waste sites, and ensure that both regulatory programs are primarily fee supported.

3940-001-014—For support of State Water Resources Control Board, Program 10—Water Quality, payable from the Hazardous Waste Control Account, General Fund 2,362,000

Provisions:

1. $2,000,000 of the funds appropriated shall be used to establish positions in the Regional Water Quality Control Boards on or after January 1, 1985, according to the following schedule:
   (a) 18 positions for waste discharge orders.
   (b) 35 positions for inspections.
   (c) 9 positions for enforcement.
   (d) 18 positions for the toxics program.
2. Expenditure of the funds identified by Provision 1 shall occur no sooner than 30 days after the Director of Finance has notified the Chairperson of the Joint Legislative Budget Committee or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine.

3940-001-140—For support of State Water Resources Control Board, Program 10—Water Quality, payable from the Environmental License Plate Fund 135,000

3940-001-475—For support of State Water Resources Control Board, Program 10-Water Quality, payable from the Underground Storage Tank Fund 601,000

Provisions:

1. Pursuant to Subdivision (b) of Section 25283.3 of the Health and Safety Code, the Legislature hereby determines that the surcharge to be included in the fee paid to a local agency by each person who submits an application for a permit to operate an underground storage tank shall be $28 per tank, during the 1984–85 fiscal year. This surcharge shall be transmitted to the State Water Resources Control Board and deposited in this Underground Storage Tank Fund.

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2. Pursuant to subdivision (b) of Section 25283.3 of the Health and Safety Code, the Legislature hereby determines that the surcharge to be included in the fee paid to a local agency by each person who submits an application for a permit to operate an underground storage tank shall be $69 per tank, during the 1984–85 fiscal year. However, if legislation is enacted during the 1983–84 Regular Session which eliminates the surcharge exemption status for localities which adopted ordinances prior to January 1, 1984, or changes the date by which localities must have adopted their ordinances from January 1, 1984, to July 1, 1983, the amount of the surcharge shall be $28 per tank. If such legislation is enacted during the 1983–84 Regular Session, the $28 surcharge shall apply to all tanks permitted during the 1984–85 fiscal year, except in any locality which may still be exempt from the surcharge under the terms of such legislation. Any person who has already paid the $69 surcharge shall be refunded the difference of $41. This surcharge shall be transmitted to the State Water Resources Control Board and deposited in the Underground Storage Tank Fund.

3940-001-476—For support of State Water Resources Control Board, Program 10—Water Quality, payable from the Underground Container Inventory Account, General Fund 617,000

3940-001-890—For support of State Water Resources Control Board, Program 10—Water Quality, payable from the Federal Trust Fund 12,291,000

3940-011-001—For transfer to the Underground Storage Tank Fund upon written approval of the Department of Finance, to provide operating funds for support of the State Water Resources Control Board for the program authorized by the enactment of Chapter 1046, Statutes of 1983 550,000

Provisions:

1. The amount available for transfer pursuant to this item shall be a long-term loan to be repaid by the Underground Storage Tank Fund from revenues received from operations.

   Repayment of this loan shall include interest at the rate earned on moneys invested in the Pooled Money Investment Account during the duration of the loan.

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2. The transfer to the Underground Storage Tank Fund shall be made only upon written approval of the Department of Finance and not sooner than 30 days after the Director of Finance has notified the Chairperson of the Joint Legislative Budget Committee of the intended transfer, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine.

3940-101-001—For local assistance, State Water Resources Control Board, for the San Diego Treatment Facility to be used as a match for federal funds to investigate sewage in the Tijuana River.. 5,500,000

Provisions:

1. The funds appropriated in this item shall only be used for a 10 percent match of federal funds available for the first phase of constructing an interim solution to the pollution problem in the Tijuana River created but not mitigated in Mexico.
2. The funds appropriated in this item shall only be used if the Department of Finance determines that no other funding is available for the same purpose.
3. State participation in this first phase of solving the pollution problem in the Tijuana River is intended as a one-time effort to protect the health of the people of the state and should not be construed as a commitment of any continued state participation in any additional solutions to this international problem.
4. Funds made available from this item shall be repaid from the proceeds of bonds sold pursuant to the Clean Water Bond Law of 1984 if the Clean Water Bond Law of 1984 authorizes the expenditure of bond proceeds for the purpose of this item and the bond law is approved by the electorate at the November 2, 1984, General Election.

HEALTH AND WELFARE

4100-001-890—For support of the State Council on Developmental Disabilities, payable from the Federal Trust Fund 3,434,000

Schedule:

(a) 100000-Personal Services 477,000

(b) 300000-Operating Expenses and Equipment 476,000

Item		Amount
(c) 400000-Special Items of Expense (Community Program Development)	649,000	
(d) 400000-Special Items of Expense (Allocation for Area Boards)	1,832,000	
Provisions:		
(1) In the event federal funds are available to the State Council in excess of the amounts appropriated in this item, the additional funds shall be used only for the following purposes, unless the funds are specifically designated by federal law for other purposes:		
(a) To augment the allocation to the Program Development Fund.		
(b) To fund the costs of salary and benefit increases approved by the Legislature that exceed the Budget Act appropriation.		
4110-001-001—For support of Area Boards on Developmental Disabilities		0
Schedule:		
(a) 100000-Personal Services	1,188,000	
(b) 300000-Operating Expenses and Equipment	644,000	
(c) Reimbursements	−1,832,000	
4120-001-001—For support of Emergency Medical Services Authority, Program 10		656,000
Provisions:		
1. The Emergency Medical Services (EMS) Authority shall use the following guidelines in administering state-funded grants to local agencies: (a) funding eligibility shall be limited to rural multicounty regions that demonstrate a heavy use of the EMS system by nonresidents, (b) local agencies shall provide matching funds of at least $1 for each dollar of state funds received, (c) state funding shall be used to provide only essential minimum services necessary to operate the system, as defined by the authority, (d) no region shall receive both federal and state funds in the same fiscal year for the same purpose, and (e) the authority shall use a competitive process to award the funds and shall monitor the use of the funds by recipients to assure that these funds are used in an appropriate manner.		
4120-001-890—For support of Emergency Medical Services Authority, Program 10, payable from the Federal Trust Fund		153,000

Item	Amount
4120-101-001—For local assistance, Emergency Medical Services Authority, Program 10, grants to local agencies	698,000
Provisions:	
1. Of the amount appropriated by this item, $250,000 shall be allocated to Northern California Emergency Medical Services, Inc., in accordance with guidelines for state-funded grants to local agencies established by the Emergency Medical Services Authority. The remaining portion of the $250,000 which is not allocated to this agency shall revert to the General Fund.	
4120-101-890—For local assistance, Emergency Medical Services Authority Program 10, payable from the Federal Trust Fund	1,572,000
4130-001-632—For support of the Health and Welfare Agency Data Center, payable from the Health and Welfare Agency Data Center Revolving Fund	28,323,000
Provisions:	
1. Notwithstanding any other provision of law, the Director of Finance may authorize expenditures for the Health and Welfare Agency Data Center in excess of the amount appropriated, no sooner than 30 days after notification in writing of the chairperson of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or no sooner than such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.	
4140-001-001—For support of Office of Statewide Health Planning and Development	977,242
Schedule:	
(a) 100000-Personal Services	6,817,473
(b) 300000-Operating Expenses and Equipment	6,778,571
(d) Reimbursements	−3,031,000
(e) Amount payable from the Health Facilities Construction Loan Insurance Fund (Health and Safety Code Section 436.26)	−647,000
(f) Amount payable from the Hospital Building Account, Architecture Public Building Fund, (Item 4140-001-121)	−7,162,396
(g) Amount payable from the Federal Trust Fund (Item 4140-001-890)	−1,778,406

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Provisions:

1. The Office of Statewide Health Planning and Development shall maintain an adequately staffed office to conduct Health Professions Career Opportunity Program and National Health Services Corps Program activities in southern California.
2. The Office of Statewide Health Planning and Development shall establish a distinct Division of Shortage Area Health Professional Development containing the Health Professions Career Opportunity Program and the National Health Services Corps Program.
3. The Office of Statewide Health Planning and Development shall report monthly, beginning August 1, 1984, to the committees in each house that consider appropriations and to the Joint Legislative Budget Committee on the progress in achieving the goals of the Seismic Safety Act (Chapter 303, Statutes of 1982).

   These reports shall include, but not be limited to, the numbers and types of employees hired during the reporting period, the number of inspections completed pursuant to the act, the number of inspections not completed together with the reasons therefor, the amount of fees collected and expended, and the types of projects submitted to the office for review and inspection.

   The office shall also inform the Legislature of any delays in the hiring or contracting process which could impede the implementation of the Seismic Safety Act and the reasons for such delays.

4140-001-121—For support of Office of Statewide Health Planning and Development, to be transferred to Item 4140-001-001, payable from the Hospital Building Account, Architecture Public Building Fund (Health and Safety Code Section 15047) 7,162,396

4140-001-890—For support of Office of Statewide Health Planning and Development, to be transferred to Item 4140-001-001, payable from the Federal Trust Fund 1,778,406

4140-101-001—For local assistance, Office of Statewide Health Planning and Development for Health Professions Development (Family Physician Training) 2,880,000

Item		Amount
Provisions:		
1. Notwithstanding the provisions of Section 2 of this act, the funds appropriated in this item for contracts with: accredited medical schools, programs which train primary care physician's assistants, hospitals or other health care delivery systems located in California, which meet the standards of the Health Manpower Policy Commission established pursuant to Chapter 1 (commencing with Section 69270) of Part 42 of Division 5 of Title 3 of the Education Code, shall be available for fiscal years 1985–86, 1986–87, and 1987–88. The amount appropriated by this item shall only be used for such contracts which commence on or after July 1, 1984.		
4170-001-001—For support of Department of Aging		1,973,000
(a) 10-Nutrition	1,174,000	
(b) 30-Supportive Services and Centers	619,000	
(c) 40-Special Projects	181,000	
(d) 50.01-Administration	3,170,000	
(e) 50.02-Distributed Administration..	−3,170,000	
(f) Reimbursements	−1,000	
Provisions:		
1. The Director of the Department of Finance may authorize the transfer of funds between this item and Item 4170-101-001 no sooner than 30 days after written notification to the chairpersons of the fiscal committees of each house and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the Joint Legislative Budget Committee may determine of: (1) the amount of the proposed transfer; (2) an identification of the purposes for which the funds will be used; (3) documentation that the proposed activities must be carried out in the current year and that no other funds are available for their support; and (4) the impact of any transfer on the level of services.		
2. The department, in consultation with the California Commission on Aging, the Triple "A" Advisory Council of California, the California Association of Area Agencies on Aging, and representatives of provider groups, shall review the existing Intrastate Funding Formula for the allocation of state and federal funds provided for programs under Title III of the Older Americans		

Item			Amount
Act. The department shall update the formula in accordance with federal regulations and shall submit a report thereon to the chairperson of the fiscal committee of each house and the Chairperson of the Joint Legislative Budget Committee no later than December 1, 1984.			
4170-001-890—For support of Department of Aging, payable from the Federal Trust Fund			1,869,000
(a) 10-Nutrition		897,000	
(b) 20-Senior Community Employment Service		251,000	
(c) 30-Supportive Services and Centers		642,000	
(d) 40-Special Projects		79,000	
Provisions:			
1. The Director of the Department of Finance may authorize the transfer of funds between this item and Item 4170-101-890 no sooner than 30 days after written notification to the chairpersons of the fiscal committees of each house and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee may determine of: (1) the amount of the proposed transfer; (2) an identification of the purposes for which the funds will be used; (3) documentation that the proposed activities must be carried out in the current year and that no other funds are available for their support; and (4) the impact of any transfer on the level of services.			
4170-101-001—For local assistance, Department of Aging			16,345,000
Schedule:			
(a) 10-Nutrition		9,958,000	
(1) 10.10-Congregate nutrition	8,721,000		
(2) 10.20-Home delivered nutrition	1,237,000		
(b) 30-Supportive Services and Centers (for match)		5,428,000	
(c) 40-Special Projects		959,000	
Provisions:			
1. Provision 1 of Item 4170-001-001 is also applicable to this item.			
2. Of the amount available for Planning and Service Area No. 1, $80,000 shall be allocated to the Senior Nutrition and Volunteer Program.			

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3. The department shall develop an allocation formula, in consultation with the California Long Term Care Ombudsman Association, for the $950,000 for local ombudsman programs which includes the following factors:
   (a) A baseline amount of $25,000 for every program.
   (b) The number of facilities within the program's jurisdiction.
   (c) The number of residents to be served in those facilities.
   (d) The geographical distances and barriers that consume time, mileage, and staff costs. These considerations include the possible alternatives of satellite or branch offices to reduce these costs, to improve ready response, and to enhance community involvement.
4. Of the funds appropriated by this item, Program 30, $450,000 shall be for the purposes of SB 1803 of the 1983–84 Regular Session, if chaptered. Otherwise, this amount shall be unavailable for expenditure and shall revert to the General Fund.
5. Of the funds appropriated by this item, $183,000, which was transferred from Item 4170-001-001, shall be used to provide direct services to seniors, but shall not be used for administration of Area Agencies on Aging.
6. Funds appropriated in this item to provide a 4 percent cost-of-living adjustment to senior nutrition programs shall not be allocated to Planning and Service Areas Nos. 1, 2, and 13, which have received special allocations in previous years. In taking this action, it is the intent of the Legislature to restrict funding increases to the specified areas until an equitable statewide allocation of funds has been achieved.

4170-101-890—For local assistance, Department of Aging, payable from the Federal Trust Fund..... 72,078,000

Schedule:

(a) 10-Nutrition		44,948,000
(1) 10.10-Congregate nutrition	37,291,000	
(2) 10.20-Home delivered nutrition	7,657,000	
(b) 20-Senior Community Employment Service		4,827,000

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(c) 30-Supportive Services and Centers 22,213,000
(d) 40-Special Projects 90,000

Provisions:

1. Provision 1 of Item 4170-001-890 is also applicable to this item.
2. If federal Title III funds, which are not otherwise budgeted by this act, are received for services provided during the 1984–85 fiscal year, these federal funds shall be used to achieve a more equitable distribution of funds among Planning and Service Areas statewide.
3. Of the funds appropriated by this item, $246,000 was transferred from Item 4170-001-890. These funds shall be used to provide direct services to seniors and shall not be used for administration of Area Agencies on Aging.
4. Of the funds appropriated by this item for Area Agencies on Aging, $75,000 shall be for travel and advocacy expenses incurred by the Triple "A" Advisory Council.

4180-001-001—For support of Commission on Aging, Program 10 216,000

Provisions:

1. The amount appropriated in this item for the California Senior Legislature shall be reduced by ½ of the total amount of any private contributions made to the commission for the California Senior Legislature which are in excess of $33,000.

4180-001-890—For support of Commission on Aging, Program 10, payable from the Federal Trust Fund 181,000

Provisions:

1. The amount appropriated in this item shall not be reduced as a result of the reduction of funds for support of the Department of Aging, Item 4170-001-890, made pursuant to the provisions of Section 1321.195 of Title 45 of the Code of Federal Regulations.

4200-001-001—For support of Department of Alcohol and Drug Programs 6,562,000

Schedule:

(a) 10-Alcohol Program..... 3,123,000
(b) 20-Drug Program 3,897,000
(c) 30.01-State administration 4,127,000
(d) 30.02-State administration—distributed ..... −4,127,000
(e) Reimbursements ..... −458,000

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Provisions:

1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this appropriation and Item 4200-101-001.
2. Of the funds appropriated by this item, $961,000 shall be allocated pursuant to Sections 11965 to 11969, inclusive, of the Health and Safety Code to support the School-Community Primary Prevention Program.

4200-001-890—For support of Department of Alcohol and Drug Programs, payable from the Federal Trust Fund 2,689,000

Schedule:

(a) 10-Alcohol Program..... 1,173,000
(b) 20-Drug Program 1,516,000

Provisions:

1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this appropriation and Item 4200-101-890.

4200-101-001—For local assistance, Department of Alcohol and Drug Programs..... 65,427,000

Schedule:

(a) 10-Alcohol Program..... 34,103,000
(b) 20-Drug Program 34,074,000
(c) Reimbursements ..... −2,750,000

Provisions:

1. The Department of Finance may order, and the State Controller shall transfer such funds as are necessary between this appropriation and Department of Mental Health appropriation 4440-101-001 for purposes of reimbursing the costs of Local Assistance, for the Drug Program.
2. Provision 1 of Item 4200-001-001 is also applicable to this item.
3. The Director of Alcohol and Drug Programs shall submit a report to the Legislature no later than December 1, 1984, on the allocation of funds to local drug programs. The report shall include, but need not be limited to: (a) a proposed formula for equitable allocations of drug program funds to counties and (b) a plan for achieving more equitable distribution of funds statewide. The report shall also address the distribution of funding among various segments of the population, particularly considering sex and ethnicity, and between alcohol

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programs and drug programs. The Association of County Drug Administrators, the County Supervisors' Association of California, and relevent constituency groups shall participate in the development of the formula and plan.

4. The Director of Alcohol and Drug Programs shall submit a report to the Legislature no later than December 1, 1984, on the allocation of funds to local alcohol programs. The report shall include, but need not be limited to: (a) a proposed formula for equitable allocations of alcohol program funds to counties and (b) a plan for achieving more equitable distribution of funds statewide. The report shall also address the distribution of funding among various segments of the population, particularly considering sex and ethnicity, and between alcohol programs and drug programs. The Association of County Alcohol Administrators, the County Supervisors' Association of California, and relevant constituency groups shall participate in the development of the formula and plan.

4200-101-890—For local assistance, Department of Alcohol and Drug Programs, payable from the Federal Trust Fund 28,321,000

Schedule:

(a) 10-Alcohol Program..... 9,735,000

(b) 20-Drug Program 18,586,000

Provisions:

1. Provision 1 of Item 4200-001-890 is also applicable to this item.

4220-001-001—For support of Child Development Programs Advisory Committee appointed pursuant to Section 8254 of the Education Code 137,000

4220-001-890—For support of Child Development Programs Advisory Committee, payable from the Federal Trust Fund 44,000

4260-001-001—For support of Department of Health Services 100,965,961

Schedule:

(a) 100000-Personal Services 132,890,253

(b) 300000-Operating expenses and equipment..... 92,201,901

(d) Transfer to the Health Care Deposit Fund..... 36,433,391

(e) Reimbursements ..... −8,799,729

(g) Amount payable from the Health Care Deposit Fund..... −105,103,576

Item	Amount
(h) Amount payable from the Hazardous Waste Control Account, General Fund (Item 4260-001-014)	−11,433,348
(i) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 4260-001-044)	−298,000
(j) Amounts payable from the Genetic Disease Testing Fund (Item 4260-001-203)	−12,667,238
(k) Amount payable from the Sanitary Registration Fund (Item 4260-001-335)	−81,000
(*l*) Amount payable from the Hazardous Substances Account, General Fund (Item 4260-001-455)	−10,000,000
(m) Amount payable from the Federal Trust Fund (Item 4260-001-890)	−11,896,997
(n) Amount payable from the County Health Services Fund (Item 4260-001-898)	−110,397
(o) Amount payable from the Local Health Capital Expenditure Account (Item 4260-001-900)	−294,433
(q) Amount payable from County Medical Services Program Account	−790,000
(r) Contingency Reserve	915,134

Provisions:

1. Should any additional federal funds become available to support venereal disease programs currently operated pursuant to state law by the Department of Health Services, such funds shall be used in lieu of funds appropriated by this item for the same purpose to the extent consistent with federal law or regulations.
2. Departmental fees subject to the annual fee increase provisions of subdivision (a) of Section 113 and subdivision (a) of Section 114 of the Health and Safety Code as added by Chapter 1012, Statutes of 1980, and Chapter 327, Statutes of 1982 shall be increased at a rate of 6.0 percent effective January 1, 1985, for each 1 percent increase in employee compensation granted in the Budget Act, 0.6 percent shall be added to the fee adjustment.

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3. Departmental fees subject to the annual fee increase provisions of Section 116 of the Health and Safety Code as added by Chapter 327, Statutes of 1982 shall be increased at a rate of 3.17 percent effective January 1, 1985. For each 1 percent increase in employee compensation granted in the Budget Act, 0.87 percent shall be added to the fee adjustment.
4. Effective July 1, 1984, the annual fee for a general acute care hospital, acute psychiatric hospital, special hospital, general acute care/rehabilitation hospital, psychiatric health facility, and chemical dependency recovery hospital is $13.10 per bed.
5. Effective July 1, 1984, the annual fee for a skilled nursing facility, intermediate care facility, or intermediate care facility for the developmentally disabled is $56.50 per licensed bed.
6. The department shall, develop, at a minimum, two primary drinking water standards (maximum contaminant levels) during fiscal year 1984–85 from among the following organic chemicals: trichloroethylene (TCE), 1, 1, 1 trichloroethane (TCA), perchloroethylene (PCE) and dibromochloropropane (DBCP); and develop five action levels (health advisories) during fiscal year 1984–85. Primary drinking water standards (maximum contaminant levels) may be developed, in addition to the above, in lieu of action levels (health advisories) as appropriate. Further, the department shall submit a report to the fiscal committees by March 1, 1985, that presents a plan for the development of primary drinking water standards (maximum contaminant levels) for ten additional chemicals in fiscal year 1985–86. The report shall detail the staffing resources needed to implement the plan.
7. $365,000 of the amount appropriated in this item is a contingency reserve and shall only be expended if the federal support for the drinking water program is insufficient to fully support the program and staffing of 37 positions.

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8. The Department of Health Services shall complete a study which identifies types or categories of hazardous wastes which should not be placed in or onto the land due to the toxicity, persistence, mobility or bioaccumulative properties of the waste. The department shall adopt regulations by June 30, 1985, to restrict these wastes from land disposal.
9. $34,211 of the amount appropriated in this item shall be used to pay court awarded attorney fees in the court cases of Mandel vs. Myers and ACLU vs. State because the courts ordered payment of the fees prior to the establishment of Item 9810-001-001.
10. The department shall submit, by December 31, 1984, a report describing the responsibilities of the Epidemiological Studies Section and assessing the type and number of staff needed during the next five years to carry out an effective research and consultation program. The report shall include but not be limited to a discussion of the following activities:
    (a) Implementation of the department's cancer policy.
    (b) Conducting health studies and developing enforceable standards for toxic air contaminants.
    (c) Assessments on pesticide health hazards.
    (d) Expansion of the birth defects monitoring program.
    (e) Research and development of maximum contaminant levels and action levels for toxic contaminants in drinking water.
    (f) Health studies at toxic dump sites and the evaluation of cleanup alternatives.
    (g) Ongoing advice and assistance to the Toxic Substances Control Division concerning health hazards at hazardous waste facilities, sampling requirements for site characterization, and cleanup standards for contaminated sites.

    During the 1984–85 fiscal year, the department shall not eliminate, transfer, redirect, or reclassify any scientific, medical, or toxicological positions established by the Legislature without notifying the chairperson of the fiscal committees of both houses, 30 days prior.

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11. The department shall not expend any of the $1,193,000 ($581,000 General Fund) for ACLAIMS until the feasibility study report has been reviewed and approved by the State Office of Information Technology.
12. The department shall continue the nurse certification program and shall:
    (a) Continue refinement of the present examination and conduct at least two testing cycles for eligible applicants during fiscal year 1984–85;
    (b) Provide that applicants who have previously failed the examination with proper safeguards to protect the integrity and validity of the examination.
13. Of the funds appropriated by this item, $100,000 shall be used for the following:
    (1) Studies and surveys to examine epidemiologic, neurotoxic, genetic, enzymatic, and immunologic characteristics of chemical hypersensitivity.
    (2) Research programs which would evaluate environmental design, soft technology, materials, and retrofitting of residences.
    (3) Technical assistance grants to develop applications and proposals in order to procure federal funds and private foundation grants.
14. The Department of Health Services, in consultation with the Joint Legislative Budget Committee and the Department of Finance shall conduct a workload study of the treatment authorization request processing function and develop staffing standards for use in the 1985–86 budget process. These standards shall be based on limiting the processing time for treatment authorization requests to five days from the day the request is received by the Department of Health Services.
15. The department shall conduct a skilled nursing facility expenditure study. For the "Salaries, Wages and Benefits" component of annual Medi-Cal rate increase for skilled nursing facilities, the study shall compare both the annual percentage increases provided in this component, including other rate adjustments, and the annual aggregate Medi-Cal rate increase to the percentage of average hourly wage and benefit

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increases paid to nonadministrative employees by employee classification for the period beginning with the 1979–80 fiscal year through the most current fiscal year for which long-term health care facility cost reports have been submitted. For the three other components of the annual Medi-Cal rate increase for skilled nursing facilities, the study shall compare both the annual percentage increases provided in each component and the annual aggregate Medi-Cal rate increase to the average percentage changes in actual expenditures by skilled nursing facilities for the major elements of each of the three components for the same time period as above. Skilled nursing facilities shall be required to make available all necessary and appropriate records. The study shall compare these factors on a statewide and regional basis consistent with Medi-Cal reimbursement categories.

16. The Department of Finance shall report to the Joint Legislative Budget Committee and the fiscal committees 30 days prior to expenditure of any funds appropriated for workload increases associated with the case of Jackson v. Bank. It is the intent of the Legislature that department staffing levels increase to meet the permanent workload increases mandated by this court case. Intermittent or temporary workload increase may be met through contractual agreements.
17. $1 million of the funds appropriated in this item shall be used for the purposes specified by Chapter 1257, Statutes of 1983. The Department of Health Services may use these funds to hire staff to carry out the purposes specified by that act, subject to the limitation imposed by Section 199.5 of the Health and Safety Code.
18. Departmental fees subject to the annual fee adjustment pursuant to Section 115(a) of the Health and Safety Code, added by Chapter 327, Statutes of 1982, shall be decreased by 0.46 percent effective January 1, 1985. For each 1 percent increase in employee compensation granted in the 1984 Budget Act, 0.5 percent shall be added to the fee adjustment. Thus, a 1 percent employee compensation increase would result in a 0.04 percent increase in fees

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and a 10 percent increase in employee compensation would result in a 4.54 percent increase in fees.

19. The department shall use $200,000 appropriated in this item to conduct the first phase of a multi-year study of pipe permeation. The study shall include the following: (a) all types of pipe used to convey potable water, (b) an evaluation of existing and proposed regulations relating to the use of water supply pipes, (c) an assessment of the need for soil testing by water utilities and land developers prior to the installation of such pipes, and (d) an assessment of the need for additional controls on the placement of water supply pipes in soil contaminated by toxic substances. The department shall submit to the Joint Legislative Budget Committee:
    (a) A formal protocol for the study by August 1, 1984; and
    (b) A progress report on the conduct of the study by February 1, 1985.
20. The Department of Health Services shall complete a study which identifies types or categories of hazardous wastes which should not be placed in or onto the land due to the toxicity, persistence, mobility or bioaccumulative properties of the waste. The department shall develop regulations by June 30, 1985, and adopt regulations by April 1, 1986, to restrict these wastes from land disposal.

4260-001-014—For support of Department of Health Services, for transfer to Item 4260-001-001, payable from the Hazardous Waste Control Account, General Fund 11,433,348

Provisions:

1. The limitations of Item 9840-001-494 shall not apply to any deficiency expenditure authorization for the Department of Health Services payable from the Hazardous Waste Control Account, General Fund.
2. Of the funds appropriated in this item, $200,000 shall be allocated to the California Specialized Training Institute in San Luis Obispo to develop a curriculum and training program for state and local environmental health officials in the inspection of hazardous waste facilities and enforcement of the hazardous waste permitting

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program. In developing the training program, the institute shall, to the extent practical, utilize elements of existing training efforts developed by the U.S. Environmental Protection Agency, state or local agencies which would be applicable to such an investigative, surveillance type of training program.

5. Funds appropriated to continue the existing Abandoned Site Project shall be reduced by an amount equal to the amount of all federal funds received for the identification and analysis of abandoned toxic dump sites.
6. The department shall not fill three new positions for the Hazardous Waste Information System (HWIS) until it has submitted, by October 1, 1984, a report to the Joint Legislative Budget Committee on the HWIS which consists of the following:
   (a) A workplan, showing how the department will reduce the suspense file; send out error letters to generators who have submitted incomplete manifests; and ensure that the data files are updated on a regular basis.
   (b) An allocation plan specifying to which HWIS functions seven new positions will be applied.
   (c) Procedures for prosecuting individuals pursuant to subdivision (a) of Section 25189 of the Health and Safety Code for failing to accurately complete manifests.

4260-001-044—For support of Department of Health Services, for transfer to Item 4260-001-001, payable from the Motor Vehicle Account, State Transportation Fund 298,000

4260-001-203—For support of Department of Health Services, for transfer to Item 4260-001-001 payable from the Genetic Disease Testing Fund 12,667,238

Provisions:

1. The limitations of Item 9840-001-494 shall not apply to any deficiency expenditure authorization for the Department of Health Services, payable from the Genetic Disease Testing Fund.
2. The 24.5 positions for the Neural Tube Defects Program shall be permanent positions.
3. All positions associated with the Neural Tube Defects Program shall be exempt from all administratively mandated hiring freezes.

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4260-001-335—For support of Department of Health Services, for transfer to Item 4260-001-001, payable from the Sanitarian Registration Fund	81,000

Provisions:

1. The limitations of Item 9840-001-494 shall not apply to any deficiency expenditure authorization for the Department of Health Services, payable from the Sanitarian Registration Fund.

4260-001-455—For support of Department of Health Services, for transfer to Item 4260-001-001, payable from the Hazardous Substance Account, General Fund	10,000,000

Schedule:

(a) For transfer to Item 4260-001-001	9,645,000
(b) Superfund Special Projects	21,800,000
(c) Amount payable from Item 4260-001-890	−21,800,000
(e) Victim compensation	355,000

Provisions:

1. The limitations of Item 9840-001-494 shall not apply to any deficiency expenditure authorization for the Department of Health Services, payable from the Hazardous Substances Account, General Fund.
2. Changes in allocations among the various sites identified to receive cleanup funds are not subject to the provisions of Section 28 of the Budget Act.
3. The department shall submit to the fiscal committees and the Joint Legislative Budget Committee a community relations plan for each Superfund-supported site prior to expenditure of state or nonstate remedial contract funds.

4260-001-890—For support of Department of Health Services, payable from the Federal Trust Fund	266,890,128

Schedule:

(a) Special Projects	165,054,889
(b) Superfund Special Projects	21,800,000
(d) Transfer to Item 4260-001-001	11,896,997
(e) Transfer to the Health Care Deposit Fund	68,138,242

Provisions:

1. Funds appropriated in this item for support of public health programs shall be transferred to the Public Health Federal Fund.
2. Funds appropriated in Subschedule (B) of the Item are for transfer to Item 4260-001-455.

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3. In developing contracts with hypertension control areas for the 1984–85 fiscal year, the department shall ensure that the hypertension control areas subcontract with the Asian Pacific Islanders Task Force on High Blood Pressure Education and Control, the East Los Angeles Health Task Force, and the Martin Luther King-Drew Medical Center for not less than $60,000 each.

4260-001-898—For support of the Department of Health Services, for transfer to Item 4260-001-001, payable from the County Health Services Fund 110,397

Provisions:

1. The limitations of Item 9840-001-988 shall not apply to any deficiency expenditure authorization for the Department of Health Services payable from the County Health Services Fund.

4260-001-900—For support of Department of Health Services, in lieu of the amounts which would otherwise be appropriated in the Local Health Capital Expenditure Account of the County Health Services Fund pursuant to Chapter 1351, Statutes of 1980, for transfer to Item 4260-001-001, payable from the Local Health Capital Expenditure Account 294,433

Provisions:

1. The limitations of Item 9840-001-988 shall not apply to any deficiency expenditure authorization for the Department of Health Services, payable from the Local Health Capital Expenditure Account.

4260-005-001—For support, Department of Health Services, to provide for the Infant Botulism Program 449,249

4260-101-001—For local assistance, Department of Health Services, Medical Assistance Program, payable from the Health Care Deposit Fund (912) after transfer from the General Fund 1,867,520,000

(a) 50.10-Eligibility (County Administration)	50,252,000	
(b) 50.11-Benefits (Medical Care and Services)	1,844,764,000	
(c) 50.50-Fiscal Intermediary Management	7,148,000	
(d) Amount payable from County Health Services Fund (Item 4260-001-898)	−257,000	
(e) Reimbursement	−34,387,000	

Provisions:

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1. After June 30, 1985, a transfer to the Health Care Deposit Fund from this item shall be permitted to meet the total General Fund obligation incurred pursuant to this item.

Notwithstanding other provisions of this act or other state law, up to $47,906,682 in federal funds received as payments during 1984–85 for reduced federal sharing ratios, and up to $36,340,784 in federal funds received during 1984–85 for Aid to the Totally Disabled, related to prior-year expenditures under Section 14157 of the Welfare and Institutions Code for expenditures for health care services pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, and up to $5,619,000 received from counties during 1984–85 as reimbursements for General Fund expenditures related to excess denial rates in prior years, are hereby appropriated and shall be expended as soon as practicable for the state's share of payments for medical care services, county administration and fiscal intermediary as follows:

(a) 50.10-Eligibility (County Administration) 7,456,284
(b) 50.11-Benefits (Medical Care and Services) 81,713,284
(c) 50.50-Fiscal Intermediary Management 696,898

2. Notwithstanding any other provision of law, both the Federal and non-Federal shares of any money recovered for previously paid health care services, provided pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, are hereby appropriated and shall be expended as soon as practicable for medical care and services as defined in the Welfare and Institutions Code.
3. Notwithstanding any other provision of law, accounts receivable, for recoveries as described in proviso 2 above, shall have no effect upon the positive balance of the General Fund or the Health Care Deposit Fund. Notwithstanding any other provision of law, money recovered as described in this item required to be transferred from the Health Care Deposit Fund to the General Fund shall be credited by the State Con-

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troller to the General Fund without regard to the appropriation from which it was drawn.

4. The Department of Health Services shall reimburse hospitals operated by the University of California for medical teaching purposes, where the University is responsible for the operating costs of such a hospital, at rates for services to Medi-Cal patients which result in the minimum General Fund liability for the care of such patients.
5. Without regard to fiscal year, the General Fund shall make a loan available not to exceed a cumulative total of $45 million to be transferred as needed to the Health Care Deposit Fund to meet cash needs. Such loans are subject to repayment provisions of Section 16351 of the Government Code. Any additional loan requirement in excess of $45 million shall be processed in the manner prescribed by Section 16351 of the Government Code.
6. Notwithstanding any other provision of law, the Director of Health Services may give public notice relative to proposing or amending any rule or regulation which could result in increased costs in the Medi-Cal program only after approval by the Department of Finance as to the availability of funds; and any rule or regulation adopted by the Director of Health Services and any communication which revises the Medi-Cal program shall only be effective from and after the date upon which it is approved as to availability of funds by the Department of Finance.
7. No funds appropriated by this item shall be used for payment to any provider of durable medical equipment under a pilot program in Fresno and Madera Counties operating pursuant to Article 7 (commencing with Section 14490) of Chapter 8 of Part 3 of Division 9 of the Welfare and Institutions Code, who sells its services or goods outside the geographic area of the pilot program without complying with the treatment authorization request procedure of the Department of Health Services.

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10. Recoveries of advances made to counties in prior years pursuant to Section 14153 of the Welfare and Institutions Code are hereby reappropriated to the Health Care Deposit Fund for reimbursement of those counties where allowable costs exceeded the amounts advanced. Recoveries in excess of the amounts required to fully reimburse allowable costs shall be transferred to the General Fund. When a projected deficiency exists in the Medical Assistance Program, such funds, subject to notification to the chairperson of the Joint legislative Budget committee are hereby appropriated and shall be expended as soon as practicable for the State's share of payments for medical care and services, county administration and fiscal intermediary services.
11. The reimbursement rate for any procedure or service shall not be increased to exceed the Medicare rate for a comparable procedure or service, nor shall the reimbursement rate for any procedure or service which is currently above the Medicare rate be increased above its current level.
12. The department, through the county administration cost control plan, shall continue the permanent reductions to county allocations that reflect the savings which resulted from MEDS implementation.
14. Change orders to the fiscal intermediary contract for amounts exceeding $250,000 shall be approved by the Department of Finance not sooner than 30 days after written notification of the change order is provided to the chairperson of the committee in each house which considers appropriations, the chairperson of the committee in each house which considers bills relating to public health and welfare, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may designate.

    If there are changes or potential changes in federal funding, the Department of Finance shall provide timely written notification of the changes to the chairperson of the committee in each house which considers appropriations and

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to the Chairperson of the Joint Legislative Budget Committee. This notification shall include proposed corrective action, including an implementation schedule and whether the potential or actual change represents a decrease in federal funding.

15. The transfer of amounts from one category in this item to another category shall not exceed 3 percent of the amount scheduled for the receiving category. No augmentation of amounts available for expenditure in any category shall be made sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson of the committee, or his or her designee, may in such instance determine.
16. When a date for public hearing has been established for a change in any program, rule, or regulation, or the Department of Finance has approved any communication revising any department program, the two fiscal committees and the Joint Legislative Budget Committee shall be notified if the annual General Fund cost of the proposed change is $1,000,000 or more.
17. Of the amounts appropriated in this item and Item 4260-101-890, $314,000 shall be expended for the Robert Wood Johnson Foundation Municipal Health Services Pilot Project in Santa Clara County only if the project is granted an extension of its pilot project contract through federal fiscal year 1984–85 from the federal Health Care Financing Administration.
18. Notwithstanding any other provision of law, the Department of Health Services shall not assess fiscal sanctions against any county during 1984–85 based solely upon a state established error rate standard. The department shall pass on to counties any federal sanction imposed upon the state based on the following program:
    (a) The department shall institute an eligibility quality control program to verify the eligibility determination of a sample of persons in each county granted Medi-Cal eligibility under Section 14005.4, 14005.7,

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or 14005.8 or Article 4.4 (commencing with Section 14140) of the Welfare and Institutions Code.

(b) A review period shall be defined as one year and shall coincide with the federal fiscal year. The department shall draw a random sample of cases for each period. The random sample shall be drawn to ensure a minimum number of cases reviewed in each county in each review period according to the following:

(1) All cases shall be sampled in any county with less than 50 Medi-Cal cases.

(2) 50 cases in any county with 0.01% to 0.50% of the Medi-Cal cases.

(3) 75 cases in any county with 0.51% to 1.00% of the Medi-Cal cases.

(4) 100 cases in any county with 1.01% to 3.00% of the Medi-Cal cases.

(5) 125 cases in any county with 3.01% to 10.00% of the Medi-Cal cases.

(6) 650 cases in any county with more than 10.00% of the Medi-Cal cases.

(c) When family members maintain separate residences, but eligibility is determined as a single unit because of the provisions of Section 14008, the county to which the parent or parents reside shall determine the eligibility for the entire unit.

(d) In administering the provisions of law and regulations related to eligibility determination, the director shall impose such fiscal penalties as provided by this section to assure adequate county administrative performance.

(e) The director shall hold counties financially liable for payments made on behalf of ineligible persons or persons with an incorrect share of costs.

When a sampled case is found to include an ineligible person or a person with an incorrect share of cost, written notification will be sent to the county department which describes the error and requests a written response within two weeks. The county must indicate whether it agrees or disagrees with the findings. If the county disagrees, the department reevaluates the

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error findings, taking into considerations any additional facts contained in the county's response. The county is again notified of the department's findings. If the county continues to disagree with the error findings, the county may appeal to the Chief, Audits and Investigations Division, requesting that the department review the case and render a final decision. The director may reduce or waive the fiscal liability of a county if the department is unable to meet the minimum sample requirements as earlier defined or if an individual county experienced a natural disaster, job actions, or other occurrences which impacted the findings in an individual county as determined by the director.

(f) The department shall utilize the methodology detailed in this subsection to establish counties' fiscal penalties. The department shall determine each county's case error rate for each review period by dividing the number of cases reviewed in that county found in error by the number of cases reviewed in that county. State caused errors shall not be included in this calculation. Case error rates shall be arrayed from highest to lowest. From this array the department shall determine the percentage of counties liable as follows:

(1) The 60% of counties with the highest case error rates shall be liable if the state's dollar error rate exceeds the federal standard by 0.01% to 1.00%.

(2) The 70% of counties with the highest case error rates shall be liable if the state's dollar error rate exceeds the federal standard by 1.01% to 2.00%.

(3) The 80% of counties with the highest case error rates shall be liable if the state's dollar error rate exceeds the federal standard by 2.01% to 3.00%.

(4) The 90% of counties with the highest case error rates shall be liable if the state's dollar error rate exceeds the federal standard by 3.01% to 4.00%.

(5) All counties shall be liable if the state's dollar error rate exceeds the federal

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standard by 4.01% or more.

As used herein the state's dollar error rate means the Medicaid dollar error rate reported to the department by the Department of Health and Human Services. The term federal standard means the Medicaid dollar error rate standard to which the state is held accountable.

For each county determined liable, the department shall calculate a penalty multiple which shall be the product of a liable county's case error rate multiplied by the liable county's percentage of statewide Medi-Cal cases. Each county's fiscal penalty shall be the product of a county's penalty multiple divided by the sum of all penalty multiples, multiplied times the penalty bank. The penalty bank includes all federal fiscal sanctions, federal withholds, federal disallowances, and any associated General Fund expenditures, minus the value of any state caused errors.

If after the department has assessed fiscal penalties to counties the federal government reduces or eliminates any federal fiscal sanction, federal withhold, or federal disallowances, the department shall reduce or eliminate the corresponding fiscal penalty assessment including any associated General Fund expenditures to liable counties.

(g) When a county welfare department contravenes state eligibility processing regulations and written instructions in a way that produces increased program benefits or administrative expenses but does not result in an increase in the federal eligibility dollar error rate, the director shall recoup from that county the additional administrative or program benefit costs above those which would have been incurred had that county not contravened the established state eligibility processing regulations and written instructions. This provision shall not be construed to interfere with the rights of counties to outstation eligibility staff.

(h) When counties are determined liable for

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fiscal penalties under this section, individual county corrective action plans as prescribed by the department will be required from all counties which exceed a 10% case error rate.

If no counties are determined liable for fiscal penalties under this section, the department shall require corrective action plans from all counties which exceed a 10% case error rate.

(i) Any penalties imposed under this system shall be collected through direct repayment from liable counties rather than through any reduction in funds otherwise due to counties.

The State Director of Health Services shall adopt emergency regulations pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of the Government Code to implement this program. The adoption of such regulations shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, or safety. Notwithstanding any provision of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, emergency regulations adopted by the Department of Health Services to implement this program shall not be subject to any review, approval, or disapproval by the Office of Administrative Law at any stage of the rulemaking process. These regulations shall become effective immediately upon filing with the Secretary of State.

19. Notwithstanding any other provision of law, the period for determination of base denial rates pursuant to Chapter 1594 of the Statutes of 1982 shall be state fiscal year 1981–82. In addition, $5,619,000 appropriated in this item for payment to counties with approved denial rates in excess of those stipulated by Chapter 1594 of the Statutes of 1982 shall not be expended until:

(a) The department, in consultation with the County Welfare Directors Association and County Supervisors Association of Califor-

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nia, develops guidelines for county appeals in cases of excess denial rates. The guidelines shall be submitted to the Department of Finance by September 1, 1984, and shall include both of the following:

(1) A requirement that counties must submit data to prove the existence of special circumstances in order to be refunded all or part of the excess denial rate recovery. Counties desiring to appeal to the Department of Health Services shall report the existence of special circumstances in accordance within the established criteria with 60 days of notification by the department of the proposed funding withhold. The department shall make recommendations to the Department of Finance regarding the existence of special circumstances in counties within 120 days of notification to the counties of proposed funding withholds.

(2) The conditions under which an appeal may be submitted and an explanation of the information necessary to make a determination of special circumstances.

(b) The Department of Finance reports to the Joint Legislative Budget Committee and the fiscal committees 30 days prior to expenditure of the funds on its finding of the existence of special circumstances and the amount to be withheld from each county. Any funds withheld will revert to the General Fund. The Department of Health Services shall report to the chairpersons of the fiscal committees of each house and to the Chairperson of the Joint Legislative Budget Committee by March 15, 1985, regarding the feasibility of continuing the excess denial rate withhold policy established by Chapter 1594 of the Statutes of 1982.

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20. Notwithstanding any other provision of law, the Department of Health Services shall not implement any prudent purchase of products project sooner than 30 days after notification to the chairpersons of the fiscal committees of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee. This notification shall include a description of the project and detailed information regarding associated costs and benefits.
21. None of the funds appropriated by this shall be used to pay for induced abortions. The exclusion means for paying for induced abortions shall be through the appropriation made in Item 4260-105-001.

4260-101-890—For local assistance, Department of Health Services, Medical Assistance Program, payable from the Health Care Deposit Fund (912) after transfer from the Federal Trust Fund 1,975,945,915

Schedule:

(a) 50.10-Eligibility (County Administration) 61,271,000
(b) 50.11-Benefits (Medical Care and Services) 1,894,755,915
(c) 50.50-Fiscal Intermediary Management 19,919,000

Provisions:

1. Provisions 2, 3, 6 to 12, inclusive, 14, 15, and 17, contained in Item 4260-101-001 are also applicable to this item.

4260-105-001—For abortions, Department of Health Services Medical Assistance Program, payable to the Special Financing Fund 11,902,000

Provisions:

1. This item shall be the sole source of general funds for abortions.
2. The expenditures of funds appropriated by this item for induced abortions shall be limited for persons eligible for the Medi-Cal program to the extent that federal matching funds are available for these purposes; except that, regardless of whether federal matching funds are available, funds may be provided for induced abortions for these persons under any of the following circumstances:
   (a) Where the life of a woman would be endangered if the pregnancy were allowed to con-

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tinue, and when so certified under penalty of perjury by two physicians, one of whom, where practicable, is a specialist in the affected medical discipline, and documentation thereof is provided with the claim for payment.	
(b) Where the pregnancy results from an act punishable under Section 261 of the Penal Code, and this act has been reported, within 60 days of its occurrence, to a law enforcement agency or a public health agency which has immediately reported it to a law enforcement agency, and the abortion occurs during the first trimester.	
(c) Where the pregnancy results from an act punishable under Section 261.5 of the Penal Code, and the female is under 18 years of age, and the abortion is performed no later than the first trimester, provided that the female's parent or guardian or, if none, an adult of the female's choice, is notified at least five days prior to the abortion by the physician who performs the abortion. Regulations governing the notice requirement shall be promulgated by the Director of Health Services.	
(d) Where the pregnancy results from an act punishable under Section 285 of the Penal Code, and this act has been reported to a law enforcement agency or a public health agency which has immediately reported it to a law enforcement agency, and the abortion occurs not later than during the second trimester.	
(e) Where it is determined by prenatal studies limited to amniocentesis, fetal blood sampling, fetal angiography, ultrasound, x-ray, or maternal blood examination that the woman will give birth to a child with severe genetic or congenital abnormality and the abortion occurs not later than the second trimester.	
3. (a) The provider's claim for payment for abortion services shall be accompanied by documentation which specifies the circumstances under which the abortion was performed. Claims without this documentation shall not be paid.	

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(b) In every case, prior to abortion, the provider shall make available to the woman appropriate counseling regarding the situation, complications, risks, benefits, and alternatives.

(c) By May 1, 1985, the Department of Health Services shall provide the Legislature a report listing the number of abortions theretofore paid for during the fiscal year 1984–85 pursuant to this act. The report shall specify the number of abortions performed under each category, and further specify the reasons or conditions within each category which qualified the particular pregnancy for the abortion and payment pursuant to this provision.

4. Nothing in this item shall be interpreted to prohibit payment for drugs or devices to prevent implantation of the fertilized ovum.
5. Limitation on payment for abortions provided for in this item shall apply only to abortions performed after August 15, 1984.
6. None of the funds appropriated by any other item in this act shall be used to pay for abortions.
7. The Controller shall place all funds appropriated by this item into the Special Financing Fund, which is hereby created. Henceforth, the director shall direct payment, and the Controller shall draw warrants for payments as allowed by this item, only from the Special Financing Fund.
8. As promptly as possible, the director shall notify providers and beneficiaries of the restrictions imposed by this item. The restrictions upon providers and beneficiaries shall become effective as soon as practicable after they receive notice from the director.
9. If any provision of this item or the application thereof to any person or circumstances is held invalid, this invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

4260-106-001—For cost-of-living increases, Department of Health Services, to be transferred to and in augmentation of programs upon approval of the Department of Finance, in accordance with the following Schedule 115,093,902

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Schedule:

(a) 11-Health Protection (for transfer to Item 426-111-001) 244,000

(b) 20-Community Health Services (for transfer to Item 426-111-001) 3,255,000

(c) 25-County Health Services (for transfer to Item 426-111-001) 42,895,000

(d) 40-Rural Health (for transfer to Item 426-111-001) 410,000

(e) 50.11-Benefits (Medical Care and Services) (for transfer to Item 4260-101-001) 66,561,902

(f) 50.10-Eligibility (County Administration) (for transfer to Item 4260-101-001) 1,728,000

Provisions:

1. Notwithstanding any other provision of law to the contrary, General Fund money appropriated by this item for Program 50.10, County Administration, shall be used solely to support the General Fund share of cost-of-living increases granted by each county based on the actual increases granted in 1984–85 as applied to the costs allowable under the 1983–84 administrative cost control plan.
2. Funds appropriated in this item shall first go to make cost-of-living adjustments for adult day health centers. Reimbursements for adult day health centers shall be $34.45.
3. Providers who received rate reductions pursuant to Sections 77, 78, and 79 of Chapter 1594, Statutes of 1982 shall receive a 2 percent cost-of-living adjustment (COLA) in addition to the funds provided to partially restore the rate reductions.

4260-106-890—For cost-of-living increases, Department of Health Services, to be transferred to and in augmentation of programs upon approval of the Department of Finance, in accordance with the following schedule 64,461,901

Schedule:

(a) 50.11 Benefits (Medical Care and Services) (For transfer to Item 4260-101-890) 62,803,901

(b) 50.10 Eligibility (County Administration) (For transfer to Item 4260-101-890) 1,658,000

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Provisions:

1. Provisions 2 and 3 of Item 4260-106-001 are also applicable to this item.

4260-111-001—For local assistance, Department of Health Services 1,004,797,224

Schedule:

(b) 11-Health Protection 4,172,000
(c) 20-Community Health Services 112,356,000
(d) 25-County Health Services 878,211,224
(e) 40-Rural Health Services 10,058,000

Provisions:

1. Program 11-Health Protection:
   (a) Should influenza vaccine, or funding for influenza vaccine, become available to the State, such resources or funds shall be used in lieu of equivalent funds appropriated from the General Fund for such purpose to the extent that the same target population is served.
2. Program 20-Community Health Services:
   (a) Funds appropriated in this item for services to physically handicapped children shall be used in accordance with provisions of Article 2 (commencing with Section 248) of Chapter 2 of Division 1 of the Health and Safety Code, provided that any person who is eligible for and is receiving services under the program funded by this item shall not be denied services or suffer an interruption of services because of any relocation within this State.
   (b) Collections of family repayments (a) by CCS in excess of $750,000 and (b) by GHPP in excess of $70,000 shall be used to offset the General Fund appropriation to those programs.
   (c) The CCS Program shall require all CCS applicants who are potentially eligible for cash grant public assistance to apply for Medi-Cal eligibility prior to becoming eligible for CCS funded services, unless the individual declines to apply on the basis of known ineligibility under state law and the regulations promulgated thereunder.
3. Program 25. County Health Services:
   (a) The director shall withhold, in part or in whole, payment of County Health Services funds to a local jurisdiction, unless the re-

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ports specified in Section 16716 of the Welfare and Institutions Code are submitted to the department by November 15 of each fiscal year.

The department shall provide data and analysis of these reports by April 15 of each fiscal year to the chairpersons of the fiscal committees of the Legislature and the Joint Legislative Budget Committee.

(b) To the extent savings are available from the County Health Services Fund, the director shall allocate the funds according to the following priorities:

1. Public health emergencies..	400,000
2. Distressed county hospitals	350,000
3. Refugee health programs	350,000
4. Computerization of county information processing	450,000
5. County-clinic linkage projects	250,000
6. Elder care projects.....	400,000

If the funding applications of local jurisdictions request fewer funds by category than the amounts set forth above, the director may reallocate funds from one category to another. However, in reallocating funds, the director shall first consider the need for additional funds in the categories in the order of the priorities established above.

(c) Of the amount appropriated in this Item, $1,047,000 shall be for transfer for the following purposes:

(1) $790,000 to Item 4260-001-001 for support of the County Medical Services Program

(2) $257,000 to Item 4260-101-001 for processing the County Medical Services Program's provider claims through the Medi-Cal Fiscal Intermediary.

(d) The Department of Health Services shall conduct at least one capital projects funding cycle during fiscal year 1984–85 utilizing funds available in the Local Health Capital Expenditure Account. The department shall notify the Joint Legislative Budget Committee and the two fiscal committees of the legislature of the specific projects selected for funding, the amount of funds

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awarded each project, and the specific procedures and criteria utilized in selecting the projects 30 days before any Local Health Capital Expenditure Account funds are awarded to any applicant.

(e) The reimbursement rate for any procedure or service shall not be increased to exceed the Medicare rate for a comparable procedure or service, nor shall the reimbursement rate for any procedure or service which is currently above the Medicare rate be increased above its current level.

(f) Of the funds appropriated in this item for deposit in the Medically Indigent Services Account:

(i) $20,000,000 shall be allocated by the Department of Health Services (DHS) to counties that demonstrate to the department that they are experiencing funding shortfalls in serving medically indigent persons covered under Section 17000 of the Welfare and Institutions Code or are incapable of providing services, due to lack of funds, for their medically indigent services programs.

(ii) $250,000 shall be for transfer to Item 4260-001-001 and used as needed to design a data collection system for the Medically Indigent Services program. The system shall be designed in consultation with the Legislative Analyst's Office, the County Supervisor's Association of California, and the California Association of Public Hospitals.

(iii) $1,000,000 shall be allocated to counties as needed to implement the data collection system specified in Section (i).

(iv) $10,000,000 shall be allocated by the DHS to counties that have demonstrated to the department a need for funds using data collected under the data collection system specified in Section (i).

No funds shall be allocated pursuant to paragraphs (ii), (iii), and (iv) sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget

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Committee, or not sooner than such lesser time as the chairperson of the committee, or his or her designee, may in such instance determine.

(g) In determining the allocation of its medically indigent services funds, Los Angeles County shall give priority to personnel increases at the Hubert Humphrey Health Center to reduce patient waiting times and to speed up evaluation of patients from drug abuse programs served by the health center.

4. Program 40-Rural Health Services

(a) Of the amount appropriated in this item, $513,000 shall be used for health insurance premiums for the Farmworker Health Insurance Pilot Project. The department shall do all of the following:

(i) Authorize expenditure of funds for the project only after the project budget is made public and the department conducts a public hearing on the project in the project area.

(ii) Notify the Rural Health Advisory Committee and the Seasonal Agricultural Workers Advisory Committee of the hearing date.

(iii) Allocate no other state or federal funds for the project.

(iv) Ensure that the project complies with the following requirements:

(aa) The project shall be operated in the counties of San Joaquin, Stanislaus, Merced, Madera, and Fresno, serve a minimum of 5,000 individuals and be based on a capitation model.

(bb) The project shall offer participation to any licensed primary care clinic within the pilot area which is funded either through state rural health funds or under Section 329 or 330 of the United States Public Health Act.

(cc) The project shall not apply for or use funds appropriated under Section 329 or 330 of the United States Public Health Act.

Application for enrollment in the insurance system may be initiated by the farmworker, recognized farmworker employee representative, grower, or grower association. Growers eli-

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gible for participation in this program shall be family farm employers with no more than 15 farmworker employees at any one time.

(b) Of the amount provided in this item, $250,000 shall be used for the development of farmworker health services in high-need area or areas.

(c) Of the amount provided in this item, $100,000 shall go to El Progeso Del Diseirto Clinic in Coachella Valley, $400,000 shall be for augmentations to existing contractors, and $250,000 shall be for new program starts.

(d) Of the amount provided in this item, $250,000 shall be used for the development of American Indian health services projects in the high-need areas of Kern County and San Diego County. In the event that the funds provided for in this item are not used by these two areas, the department shall fund new projects in other areas of high need.

(e) Of the amount provided in this item, $500,000 shall be used to provide a program of American Indian health education, prevention, and outreach. In determining the allocation of these funds, the department shall establish a request-for-proposal process that shall require a competitive application from eligible providers.

4260-111-890—For local assistance, Department of Health Services, for transfer to the Public Health Federal Fund payable from the Federal Trust Fund 22,123,504

Schedule:

(a) 20-Community Health Services 21,657,504

(b) 25-County Health Services 466,000

Provisions:

1. Provisions (2) (a) and (2) (c) of Item 4260-111-001 are also applicable to this item.
2. $4,627,000 of the amount appropriated in this item shall be allocated to the Maternal and Child Health Program for allocation to providers meeting the requirements of Chapter 1112, Statutes of 1982.

4260-301-036—For capital outlay, Department of Health Services, payable from the Special Account for Capital Outlay 1,580,000

Schedule:

(1) 94.50.010-Minor Projects..... 629,000

Item	Amount
(2) 94.70.040-Autoclave Replacement —Phases IV and V	709,000
(3) 94.80.010—Los Angeles Laboratory: Fire and Life Safety Modifications, Preliminary Plans, Working Drawings, and Construction	242,000

4260-490—Reappropriation, Department of Health Services.

(1) Notwithstanding Section 25330.2 of the Health and Safety Code, or any other provisions of law, on the effective date of this act, the appropriations provided in the following citations are reappropriated for the purposes provided for in the appropriation, unless otherwise specified, and shall be available for encumbrance and expenditure until June 30, 1985:

001—General Fund

For the purposes of Article 5 (commencing with Section 25350) of the Health and Safety Code, the unencumbered and encumbered but unexpended balance in Item 4260-001-001, Budget Act of 1983, for Superfund program activities, payable from Item 4260-001-455, Budget Act of 1983.

455—Hazardous Substances Account

For the purposes of Article 5 (commencing with Section 25350) of the Health and Safety Code, the unencumbered and encumbered but unexpended balance of Item 4260-001-455, Budget Act of 1983, for Superfund program activities.

890—Federal Trust Fund

For the purposes of Article 5 (commencing with Section 25350) of the Health and Safety Code, the unencumbered and encumbered but unexpended balance of funds actually received or awarded for remedial action in Item 4260-001-890, Budget Act of 1983, shall be available for transfer to Item 4260-001-455.

(2) Reappropriated funds may not be authorized for encumbrance or expenditure sooner than 30 days after notification in writing of the necessity therefor to the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the Chairperson of the committee, or his or her designee, may in each instance determine.

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(3) Notwithstanding section (2) above, expenditure of (a) funds to liquidate encumbrances made in the year of the initial appropriation or (b) funds that are proposed to be used for site-specific remedial action contracts shall not be subject to the above notification requirement.

4260-491—Reappropriation, Department of Health Services. Notwithstanding any other provision of law, the unencumbered balance as of June 30, 1984, in category (f) (1) of Item 4260-111-001 of the Budget Act of 1981, is hereby reappropriated for transfer to the Local Health Capital Expenditure Account for local health capital improvements.

4260-495—Reversion, Department of Health Services. As of June 30, 1984, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:

001—General Fund

(1) Chapter 215, Statutes of 1977, Special Medical Care program—hemophilia
(2) Chapter 1134, Statutes of 1979, Dental Disease Prevention
(3) Chapter 533, Statutes of 1980, Genetic Disease Testing
(4) Chapter 911, Statutes of 1980, Adult Day Health Care
(5) Chapter 1161, Statutes of 1980, Hazardous Waste: disposal sites
(6) Chapter 756, Statutes of 1981, Hazardous waste site cleanup-loan
(7) Chapter 204, Statutes of 1982, Health: birth defects
(8) Chapter 478, Statutes of 1982, Adult day health care programs
(9) Chapter 1461, Statutes of 1982, Drug utilization and peer review committees (Pilot Project)

4270-001-001—For support, California Medical Assistance Commission 872,000

Schedule:

(a) 100000-Personal Services 1,138,000
(b) 300000-Operating Expenses and Equipment 532,000
(c) Reimbursements ..... −798,000

4300-001-001—For support of Department of Developmental Services 15,890,000

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Schedule:

(a) 10-Community Services Program 8,679,000

(b) 20-State Hospital Services Program 8,226,000

(c) 35.01-Administration 13,048,000

(d) 35.02-Distributed Administration −13,048,000

(e) Reimbursements ..... −1,015,000

Provisions:

1. Under order of the Director of Finance, the Controller shall transfer funds as are necessary between this item and Item 4300-101-001 to provide for the continuing costs of fair hearings.
2. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between Item 4300-101-001 and Item 4300-001-001 for costs related to the transition of casemanagement responsibilities from the Continuing Care Services Section offices to the regional centers.
3. The 13 positions proposed for phase-out in the Continuing Care Services Section on July 1, 1985, shall be limited-term positions through June 30, 1985.
4. Of the funds appropriated by this item, $50,000 shall be allocated by the department to the California State Hispanic Council on Developmental Disabilities for the purpose of Fiesta Educativa.

4300-001-172—For support of Department of Developmental Services, Program 10 Community Services Program, payable from the Developmental Disabilities Program Development Fund 185,000

4300-001-890—For support of Department of Developmental Services, Program 20—State Hospital Services Program, payable from the Federal Trust Fund 66,000

Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-101-890.

4300-101-001—For local assistance, Department of Developmental Services 279,492,342

Schedule:

10.10-Regional Centers ..... (262,271,342)

10.10.010-Operations ..... (78,741,000)

(a) 10.10.010.010-Personal Services..... 63,314,000

(b) 10.10.010.020-Operating Expense and Equipment 15,427,000

10.10.020-Purchase of services ..... (183,530,342)

Item	Amount
(c) 10.10.020.010-Out-of-home care	66,640,342
(d) 10.10.020.020-Day programs	40,001,000
(e) 10.10.020.050-Other services	76,889,000
Medical Services .....(3,140,000)	
Camps and Respite.....(7,412,000)	
Transportation .....(22,580,000)	
Specialized Services ..(25,788,000)	
All Other Services.....(17,969,000)	
(f) 10.20.030-Cultural center for the handicapped	135,000
(fxx) 10.30-Community Placement	5,983,000
(g) 97.10-Special Adjustment Cost-of-Living Adjustment	11,103,000

Provisions:

1. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between Item 4300-101-001 and Item 4300-111-001. Provided further, that the Department of Finance may authorize the transfer of funds from this item to the Health Care Deposit Fund for the State's share of expenditures for developmental services provided to persons eligible under the California Medical Assistance Program.
2. Notwithstanding any other provision of law, the Director of the Department of Developmental Services, in consultation with the State Council on Developmental Disabilities, shall establish priorities for expenditure of funds budgeted for the regional center program. Priorities for categories (a) to (e), inclusive, insofar as is possible shall be consistent with the Lanterman Developmental Disabilities Services Act. Guidelines developed by the Department of Developmental Services, based on these priorities shall govern the authorization for and expenditure of funds to insure that program level is within budgeted authority. Compliance with priorities shall be monitored prospectively and by postaudit by the Department of Developmental Services.
3. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between Item 4300-101-001 and Item 4300-001-001 for costs related to the transition of casemanagement responsibilities from the Continuing Care Services Section offices to the regional centers.

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4. Funds appropriated in category (g) for cost-of-living increases are to be allocated to categories (a) through (f).
5. Notwithstanding any other provision of law, the Department of Developmental Services shall not allocate, reallocate, or transfer funds to any regional centers or the Cultural Center for the Handicapped for the purpose of cost-of-living adjustments in excess of that provided for by the Budget Act for this item. Any cost-of-living increase granted for personal and nonpersonal services which exceeds the percentage increase authorized by this Budget Act or any other salary adjustments provided by the regional centers and the Cultural Center for the Handicapped shall be funded within the allocation pursuant to the Budget Act.
6. The department shall use the mechanisms for consolidating and coordinating social service transportation services established pursuant to Chapter 1120 of the Statutes of 1979, in coordinating transportation services for the developmentally disabled.
7. (a) In order to ensure that services to eligible clients are available throughout the contract period, it is the intent of the Legislature in enacting this provision that each regional center administer the contract within the level of funding available pursuant to Sections 4621 and 4633 of the Welfare and Institutions Code and this act. If additional funds are appropriated by the Legislature, the Department of Developmental Services shall revise the contract amounts. The regional centers shall then administer the contracts within the revised contract amounts.

To carry out the intent of this provision, each regional center contract shall include provisions which ensure the regional center will provide services to eligible clients within the funds available in the contract throughout the contract term. If the regional center or the Director of Developmental Services determines that there are insufficient funds in a regional center contract for the provision of client services, the regional center shall continue to administer

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the contract within the funds provided and use the interdisciplinary team process, with emphasis on the individual client and without actions involving categorical reductions, in order to eliminate the funding deficiency.

(b) Recognizing the needs of the developmentally disabled and the funding limitations imposed by the annual Budget Act, the Department of Developmental Services and the Association of Regional Center Agencies shall jointly develop standards for the purchase of services and allocation methods as will ensure, to the extent possible, equity among all regional centers with regard to the nature and amount of services purchased for clients. The department and the association shall consult with the State Council on Developmental Disabilities and the Organization of Area Boards in this process.

(c) The Director of Developmental Services shall, within 30 days after the end of each quarter, submit a report of the financial status of all regional centers and their operations to the Joint Legislative Budget Committee. The report shall:

(1) Identify all projections of regional center budget deficits during the quarter.

(2) Analyze the accuracy of each identified deficit projection.

(3) Analyze the feasibility of eliminating the projected deficits by reductions in expenditures, reallocations of appropriated funds, and budget augmentation.

(4) Indicate the actions planned to eliminate the projected deficits, including a description of the impact of such actions on the receipt of services needed by regional center clients during the remainder of the fiscal year.

4300-101-172—For local assistance, Department of Developmental Services, Program 10-Community Services Program, payable from the Developmental Disabilities Program Development Fund 2,647,000

Schedule:

(b) Program development 1,152,000

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(1) 10.20.010-Program development..... 2,170,000
(2) Reimbursements .. −1,018,000
(c) Prevention..... 1,000,000
(d) 10.30-Community placement 495,000

Provisions

1. Program development projects funded during 1984–85 shall be evaluated by the Department of Developmental Services at the end of Fiscal Year 1984–85. A determination shall be made whether funding should continue under Item 4300-101-001.
2. In the 1985–86 program development funding cycle, priority consideration shall be given to using at least 33 percent of the funds, but in no case an amount less than that spent in fiscal year 1983–84, for developing new programs to place state hospital residents suitable for placement into the community. The department, State Council on Developmental Disabilities, and Organization of Area Boards shall develop an expedited program development funding process to award contracts. The new programs shall be designed to meet the needs of specific state hospital clients and shall include a detailed implementation timetable.

4300-101-890—For local assistance, Department of Developmental Services, Program 20, State Hospital Services Program, payable from the Federal Trust Fund 834,000

Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-001-890.

4300-111-001—For local assistance, Department of Developmental Services, for State Hospitals 353,144,000

Schedule:

(a) 20-State Hospital Services Program 461,509,000
(b) Reimbursements ..... −108,592,000
(c) 97.10-Special Adjustment—Cost-of-Living adjustment 227,000

Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Items 4300-101-001, 4440-011-001, and 4440-101-001.

Item		Amount
4300-301-036—For capital outlay, Department of Developmental Services, payable from the Special Account for Capital Outlay		10,155,000
Schedule:		
(1) 55.20.015.020—Camarillo State Hospital—Fire and Life Safety and Environmental Improvements, Items to Complete, Phase I—Construction	313,000	
(2) 55.40.140.641—Napa State Hospital—Fire and Life Safety and Environmental Improvements, Buildings 254, 256 and 257—Construction	3,855,000	
(3) 55.20.140.641—Camarillo State Hospital—Fire and Life Safety and Environmental Improvements, Children's Unit—Study and Preliminary Plans	232,000	
(5) 55.40.095.010—Napa State Hospital—Fire Detection System, Buildings 147, 176, 177, 178, 181, 183—Working Drawings and Construction	630,000	
(7) 55.55.140.641—Sonoma State Hospital—Upgrade Fredrickson for Central Supply Services—Preliminary Plans, Working Drawings and Construction	51,000	
(7.1) 55.55.140.642—Sonoma State Hospital—Upgrade Fredrickson for Central Supply—Equipment	186,000	
(8) 55.25.110.641—Fairview State Hospital—Replace Number 3 Centrifugal Chiller—Preliminary Plans, Working Drawings and Construction	162,000	
(10) 55.30.110.641—Lanterman State Hospital—Install Chiller in Central Plant—Study	10,000	
(10.1) 55.30.110.642—Lanterman State Hospital—Install Chiller in Central Plant—Preliminary Plans	65,000	
(11) 55.20.140.641—Camarillo State Hospital—Handicapped Accessibility, Phase 2—Preliminary Plans, Working Drawings and Construction	513,000	

Item		Amount
(11.1) 55.30.140.641—Lanterman State Hospital—Handicapped Accessibility, Phase 2—Preliminary Plans, Working Drawings and Construction	296,000	
(11.2) 55.55.140.643—Sonoma State Hospital—Handicapped Accessibility, Phase 2—Preliminary Plans, Working Drawings and Construction	281,000	
(11.3) 55.60.140.641—Stockton State Hospital—Handicapped Accessibility, Phase 2—Preliminary Plans, Working Drawings and Construction	248,000	
(12) 55.25.120.641—Fairview State Hospital—Upgrade 5KV Distribution System—Preliminary Plans and Working Drawings	11,000	
(15) 55.10.010.010—Minor Projects	3,302,000	
Provisions:		
1. Of the amount appropriated in category (3), $20,000 shall be used to fund the study. In addition, $212,000 may be encumbered for preliminary plans not sooner than 30 days after the Department of Finance has provided the Joint Legislative Budget Committee with approval of the study, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine.		
4440-001-001—For support of Department of Mental Health		25,721,559
(a) 10-Community Services	24,114,000	
(b) 20-State Hospital Services	4,658,559	
(c) 35.01-Departmental Administration	15,307,559	
(d) 35.02-Distributed Departmental Administration	−14,588,559	
(e) Reimbursements	−3,770,000	
Provisions:		
1. To the extent feasible, the Department of Mental Health shall collect, from any existing and available source, facility specific data on length of stay and cost per episode by inpatient diagnosis for hospitals funded through the Short-Doyle program. This data shall be utilized by the Department to identify and establish norms for		

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lengths of stay and cost per episode.

2. A county may elect to directly provide protective social services in lieu of purchasing such services from the Department of Mental Health if the guidelines of the Department of Mental Health which were applied to counties so electing prior to July 1, 1980, are applied. It is the intent of this proviso to enable the transfer of state employees to county employment in such a way that personnel benefits are protected. Upon order of the Department of Finance, the Controller shall transfer between this item and Item 4440-101-001 such funds as are necessary to enable the transfer of state employees to county employment in such a way that personnel benefits are protected.

4440-001-890—For support of Department of Mental Health, Community Services, Program 10, payable from the Federal Trust Fund 535,000

4440-011-001—For support of the State Hospitals, Department of Mental Health 87,006,887

Schedule:

(a) 20.20 Penal Code and Judicially Committed 87,006,887

(b) 20.30 Other State Hospital Services 20,400,000

(c) Reimbursements ..... —20,400,000

Provisions:

1. The amounts appropriated above are for support of the hospitals for the mentally ill for judicially committed patients and patients committed pursuant to the Penal Code.

2. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Items 4200-101-001, 4300-111-001, 4440-121-001, 5240-001-001, and 5460-001-001.

3. Of the amount appropriated by this act, $3,000,000 shall be designated for the creation of model treatment programs. Implementation of model treatment programs shall not begin until (a) wards seeking to operate a model program have submitted program designs specifying the kinds of clientele to be served, the estimated length of stay of clients in the program, treatment methods to be utilized to achieve improvements in the client's level of functioning, weekly schedule of treatment activities by employee classifi-

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cation, the average number of hours per week clients will spend in each treatment activity, workload estimates that justify the number and classifications of positions requested, and justification for equipment requests, and (b) the department has received and approved the material submitted by the wards. The funds shall not be used for other purposes nor shall more than 209 positions be administratively established for this purpose. Not more than one-third of the wards shall receive staff increases from these funds. The wards selected for augmented staffing shall receive the full complement of staff needed to operate the model programs as approved by the department.

4. The department may transfer up to $300,000 to Item 4440-101-001 for expansion of aftercare programs for Penal Code patients released from state hospitals. Additional aftercare program slots may be funded only if they will result in the placement of otherwise release-ready Penal Code clients and if the 1984–85 staff savings in the state hospitals from reduced population will fully offset the cost of expansion of the aftercare program.

5. The Department of Finance shall notify the Joint Legislative Budget Committee 30 days prior to the establishment of the treatment positions for the mentally disordered sex offender pilot project. The notification shall include (a) a weekly schedule of treatment and treatment-related activities for each job classification (b) job descriptions setting forth the specific duties of the various employee classifications, (c) workload estimates that justify the need for the number of positions requested in each classification, and (d) justification for equipment requested.

4440-101-001—For local assistance, Department of Mental Health 371,870,000

Schedule:

(a) 10-Community Services 386,971,000

(ax) 10.10.010-Community Residential Treatment System 25,830,000

(b) Reimbursements ..... −40,931,000

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Provisions:

1. The amounts appropriated in this item are for assistance to local agencies in the establishment and operation of mental health services, in accordance with the provisions of Division 5 (commencing with Section 5000) of the Welfare and Institutions Code, Department of Mental Health, and in addition, any amounts transferred from the Health Care Deposit Fund shall augment and be available for expenditure for the purposes specified above.
2. The Department of Finance may authorize the transfer of funds from this item to the Health Care Deposit Fund for the state's share of expenditures for mental health services provided to patients eligible under the California Medical Assistance Program.
3. Upon order of the Department of Finance, the Controller shall transfer between this item and Item 4440-121-001 those funds which are necessary to provide for overuse of allocated state hospital days. Other transfers between this item and Item 4440-121-001 may be made not sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the Chairperson of the committee, or his/her designee, may in each instance determine.
4. County Short-Doyle planning estimates, allocations or reallocations to counties shall be approved by the Department of Finance and certified by the Department of Mental Health as to the source and availability of funds, and that such action would not create a deficiency.
5. The department may allocate $4.97 million plus the cost-of-living provided local mental health services, from the General Fund to support patch programs only to the extent that federal funds are not available for the programs in 1984–85. In the event that federal funds do become available, the department shall revert that amount to the General Fund.

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6. The department shall make semi-annual and annual adjustments to local mental health services allocations to the extent that the department's projections indicate that a county will use more state hospital days than the department has allocated to it. The department may authorize counties to establish agreements pooling state hospital days, but shall make semi-annual and annual adjustments to their allocations if the department's projections indicate that the counties' state hospital use will exceed their combined total.
7. The department shall allocate $41,200,000 in new funds for local programs as follows: $20,300,000 for inflationary adjustments and $20,900,000 for equity adjustments.

   It is the intent of the Legislature that to the extent that program reductions have been made in the following programs in the last two fiscal years, counties shall consider allocating funds to restore programs in the following priority order:
   (a) Community residential treatment services.
   (b) Case management services.
   (c) Services to children and youth.
   (d) All other services.

   The Department of Mental Health shall monitor and report to the Legislature the extent to which the above programs are funded.
8. Notwithstanding any other provisions of law, if revenues become available from Chapter 1289, Statutes of 1982, or Chapter 948, Statutes of 1983, or both, for mental health programs, the first $250,000 shall be deposited in the General Fund. Any other revenues available from these sources shall be used to expand the primary prevention program.
9. Allocation increases to counties in an amount equal to the difference between recommended 2 percent cost-of-living adjustment and a cost-of-living adjustment ultimately agreed upon by the Legislature and approved by the Governor shall be allocated to counties in accordance with the equitable distribution formula and expended by counties for community residential treatment system (CRTS) programs as specified in Section 5450 of the Welfare and Institutions Code or expanded case management services or expanded mobile crisis services. Counties shall not use

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these funds to replace current program services. Counties shall apply to the CRTS committee for program approval within 60 days of the budget approval by the Governor. The committee shall render a decision and recommendation to the Director of Mental Health within 30 days of receipt of a county proposal. If the committee does not act within 30 days, the proposal shall be decided by the Director of Mental Health without committee recommendation.

10. The department shall not transfer funds appropriated for community residential treatment system to the community services category or to any other item of the Budget Act.
11. A county may elect to directly provide protective social services in lieu of purchasing such services from the Department of Mental Health if the guidelines of the Department of Mental Health that were applied to counties so electing prior to July 1, 1980, are applied. It is the intent of this proviso to enable the transfer of state employees to county employment in such a way that personnel benefits are protected. Upon order of the Department of Finance, the Controller shall transfer between this item and Item 4440-001-001 such funds as are necessary to enable the transfer of state employees to county employment in such a way that personnel benefits are protected.
12. In the event that the amount appropriated by this item is less than appropriations for fiscal year 1983–84 or funds in addition to the appropriation in this act become available in 1984–85, the department shall increase or decrease county allocations by utilizing the poverty/population model in order to reduce funding inequities among counties.

4440-101-890—For support of Department of Mental Health, Program 10, Community Services, payable from the Federal Trust Fund..... 13,554,000

Provisions:

1. The amounts appropriated in this item are for assistance to local agencies in the establishment and operation of mental health services, in accordance with the provisions of Division 5 (commencing with Section 5000) of the Welfare and Institutions Code. In addition, any amounts transferred from the Health Care Deposit Fund

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shall augment and be available for expenditure for these purposes.

2. The Department of Finance may authorize the transfer of funds from this item to the Health Care Deposit Fund for the state's share of expenditures for mental health services provided to patients eligible under the California Medical Assistance Program.
3. Upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 4200-101-890.
4. County Short-Doyle planning estimates, allocations or reallocations to counties shall be approved by the Department of Finance and certified by the Department of Mental Health as to the source and availability of funds, and that such action would not create a deficiency.
5. The Department of Mental Health may authorize advance payments of federal ADAMH block grant funds on a monthly basis to the counties for grantees. Such advance payments may not exceed one-twelfth of the individual grant award for 1984–85. No General Fund money may be used in making grant awards under the provisions the federal ADAMH block grant.
6. The least possible amount of block grant funds shall be utilized for purposes of administration at both the state, local and direct provider levels. The department's administrative expenditures shall not exceed 10 percent of any block grant.

4440-111-001—For local assistance, Department of Mental Health—10.10.010—Community Residential Treatment Centers (CRTS) 10,467,000

Provisions:

1. The funds appropriated in this item are to be allocated for equity adjustments, on a county by county basis, and to be used by counties, on a program application basis, to fund services for children and youth that strengthen the local non-hospital community-based Community Residential Treatment Systems (CRTS) continuum. Counties shall apply to the Community Residential Treatment System Committee for program approval within 60 days of the budget approval by the Governor. The committee shall render a decision and recommendation to the director of the Department of Mental Health

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within 30 days of receipt of a county proposal. If the committee does not act within 30 days, the proposal shall be approved or disapproved by the director of the Department of Mental Health without committee recommendation.

4440-121-001—For local assistance, Department of Mental Health, 20.10—Lanterman-Petris-Short Act 142,671,093

Provisions:

1. Upon order of the Director of Finance, the Controller shall transfer funds as are necessary between this item and Items 4300-111-001, 4440-011-001, and 4440-101-001 for overuse of state hospital days. Other transfers of funds between this item and Item 4440-101-001 shall not be made sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the Chairperson of the committee, or his/her designee, may in each instance determine.
2. Of the amount appropriated by this act, $3,000,000 shall be designated for the creation of model treatment programs. Implementation of model treatment programs shall not begin until (a) wards seeking to operate a model program have submitted program designs specifying the kinds of clientele to be served, the specific goals for client improvement, the estimated length of stay of clients in the program, treatment methods to be utilized to achieve improvements in the clients' level of functioning, weekly schedule of treatment activities by employee classification, the average number of hours per week clients will spend in each treatment activity, workload estimates that justify the number and classifications of positions requested, and justification for equipment requests, and (b) the department has received and approved the material submitted by the wards. The funds shall not be used for other purposes nor shall more than 209 positions be administratively established for this purpose.

   Not more than one-third of the wards shall receive staff increases from these funds. The wards selected for augmented staffing shall receive the full complement of staff needed to

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operate the model programs as approved by the department.	
4440-301-036—For capital outlay, Department of Mental Health, payable from the Special Account for Capital Outlay	3,863,000
Schedule:	
(1) 55.35.140.641—Metropolitan State Hospital—Fire and Life Safety and Environmental Improvements, CTW Building—Preliminary Plans and Working Drawings	195,000
(2) 55.35.120.641—Metropolitan State Hospital—Upgrade Electrical Distribution System—Preliminary Plans and Working Drawings	127,000
(3) 55.45.095.010—Patton State Hospital—Security Improvements—Preliminary Plans, Working Drawings, and Construction	1,719,000
(4) 55.18.110.641—Atascadero State Hospital—Heating and Air Conditioning Patient Occupied Buildings—Working Drawings	535,000
(5) 55.45.120.060—Patton State Hospital—Install Emergency Electrical Power, Phase 2—Preliminary Plans, Working Drawings, and Construction	495,000
(7) 55.35.140.642—Metropolitan State Hospital—Fire and Life Safety and Environmental Improvements, R&T Building—Preliminary Plans	100,000
(8) 55.45.140.641—Patton State Hospital—Fire and Life Safety and Environmental Improvements, Building U—Preliminary Plans	100,000
(9) 55.10.010.621—Minor Projects	592,000

Provision:

1. The design of the project funded in category (2) at Metropolitan State Hospital shall incorporate the planned future use of the 200 and 300 units instead of current building usage.
2. Work performed on the project funded by category (3) shall be done in priority order with the proposed landscape screening to be completed last and only if funds within this appropriation are sufficient to complete the work.

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3. The security improvements at Patton State Hospital are of high priority, and the Office of the State Architect shall undertake the project and shall expedite construction.

5100-001-001—For support of Employment Development Department 35,886,000

Schedule:

(a) 10-Employment and Employment Related Services 18,090,000
(b) 20-Tax Collections and Benefit Payments 17,796,000
(c) 30.01-General Administration 29,524,000
(d) 30.02-Distributed General Administration ..... −29,524,000

Provisions:

1. The State Controller shall transfer funds appropriated by this item only at such times as federal funds are deposited in the Unemployment Administration Fund and no transfer so made shall exceed 12.5 percent of the amount of federal funds so deposited; and provided further, that the amount available for transfer shall be reduced by the amount in cash or in-kind available from other sources as the State's share of the Work Incentive Program (WIN), as determined by the Employment Development Department and certified to the State Controller.
2. Up to $420,000 of the funds appropriated in this item shall be provided as reimbursements to Item 8940-001-001 for the California Innovative Military Projects and Career Training (IMPACT) Program, except that these funds shall not be provided to the Military Department as reimbursements and shall be available to the Employment Development Department for expenditure for the Employment Preparation Program to the extent that the Military Department receives from local agencies funds to offset costs scheduled in Item 8940-001-001.
3. $300,000 of the amount appropriated in the item shall be used by the Employment Development Department to fund Supported Work for long-term AFDC recipients as authorized by Chapter 1077, Statutes of 1981. The contractor shall agree to all the following conditions to reduce administrative cost and increase job placements:
   (a) There shall be no more than one supervisor for every five participants.

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(b) The average length of training shall be no more than five months.

(c) 55 percent of the participants shall be placed in "outstationing" assignment, as defined by the department.

(d) 50 percent of the enrollees shall enter employment.

5100-001-184—For support of Employment Development Department, Tax Collections and Benefit Payments, Program 20, payable from the Employment Development Department Benefit Audit Fund 1,000,000

Provisions:

1. The Employment Development Department (EDD) may spend a total of $3,275,000 for benefit fraud activities from the Benefit Audit Fund and the EDD Contingent Fund. In the event that revenues accruing to the Benefit Audit Fund exceed the budgeted level, the excess is hereby appropriated to the Director of Finance, to be used to augment this item, for expenditure on benefit fraud activities, on order of the Director of Finance. Item 5100-001-185, payable from the EDD Contingent Fund, shall also be reduced by an equal amount budgeted for the same purpose.

5100-001-185—For Support of Employment Development Department, payable from the Employment Development Contingent Fund 11,684,323

Schedule:

(a) 10-Employment and Employment Related Services	1,223,000
(b) 20-Tax Collections and Benefit Payments	9,130,323
(c) 30.01-General Administration	1,331,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts which would have otherwise been appropriated pursuant to Section 1586 of the Unemployment Insurance Code.
2. Notwithstanding the provisions of Item 9840-001-494, the Director of Finance may authorize the creation of deficiencies pursuant to Section 11006 of the Government Code, for the purposes of this item.

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3. Notwithstanding any other provision of law, the State Controller shall transfer to the General Fund the unencumbered balance in the Employment Development Contingent Fund as of June 30, 1985, which is in excess of the $1,000,000 reserve required by Section 1590 of the Unemployment Insurance Code.
4. The Employment Development Department is prohibited from spending funds appropriated by this item for automating the statewide payment system in the Unemployment Insurance program until the State Office of Information Technology submits to the Chairperson of the fiscal committee in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee a written explanation of the reasons for its approval of the Feasibility Study Report on the automation of the statewide Unemployment Insurance Payment System.

5100-001-514—For support of Employment Development Department, payable from the Employment Training Fund 55,000,000

Schedule:

(a) 20-Tax Collections and Benefit Payments 1,493,000
(b) 50-Employment Training Fund Panel 53,507,000
  (1) Administrative 4,235,000
  (2) Training 49,272,000

Provisions:

1. Notwithstanding Section 2 of this act, any unexpended moneys in the Employment Training Fund on June 30, 1984, shall remain available for allocation, without regard to fiscal years, by the Employment Training Panel for job training contracts and shall not be reverted to the Unemployment Insurance Fund.
2. All activities to market, negotiate, or otherwise locate employers or other agencies interested in providing training with funds supplied by the Employment Training Panel shall be supported with funds allocated for the administration of the Employment Training Panel.

5100-001-588—For support of Employment Development Department, Program 20—Tax Collections and Benefit Payments, payable from the Unemployment Compensation Disability Fund 52,157,000

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Provisions:

1. The Department of Employment Development shall submit on October 1 and April 20, to the Department of Finance for its review and approval, an estimate including the assumptions and calculations underlying EDD projections for support expenditures from this item. The Department of Finance shall approve, or modify, the assumptions underlying all estimates within 15 working days of their receipt. If the Department of Finance does not approve or modify in writing, the assumptions underlying all estimates within 15 working days, the Employment Development Department shall consider the assumptions and calculations approved as submitted. If the Department of Finance determines that the estimate of support expenditures differ by the amount appropriated by this item, the Director of Finance shall so report to the Legislature. At the time the report is made, the amount of this appropriation shall be adjusted by the difference between this Budget Act appropriation and the DOF approved estimate. This item is not subject to the provisions of Section 28.00.

5100-001-870—For support of Employment Development Department, payable from the Unemployment Administration Fund—Federal 320,041,608

Schedule:

(a) 10-Employment and Employment Related Services 127,878,608
  (1) 10-Employment and Employment Related Services....152,881,608
  (2) 10-Reimbursements .....−25,003,000

(b) 20-Tax Collection and Benefit Payments 192,163,000
  (1) 20-Tax Collection and Benefit Payments 194,256,000
  (2) 20-Reimbursements .....−2,093,000

(c) 30.01-General Administration 0
  (1) 30.01-General Administration 242,000
  (2) 30.01-Reimbursements ..... −242,000

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Provisions:

1. Funds appropriated in this item are in lieu of the amounts which would have otherwise been appropriated pursuant to Section 1555 of the Unemployment Insurance Code.
2. The Employment Development Department (EDD) shall submit on October 1, 1984, and April 20, 1985, to the Department of Finance for its review and approval an estimate including the assumptions and calculations underlying EDD projections for support expenditures for the Unemployment Insurance program from this item. The Department of Finance shall approve, or modify, the assumptions underlying all estimates within 15 working days of their receipt. If the Department of Finance does not approve or modify in writing the assumptions underlying all estimates within 15 working days, the Employment Development Department shall consider the assumptions and calculations approved as submitted. If the Department of Finance determines that the estimate of support expenditures differs by the amount appropriated by this item, the Director of Finance shall so report to the Legislature. At the time the report is made, the amount of this appropriation shall be adjusted by the difference between this appropriation and the Department of Finance approved estimate for the Unemployment Insurance program. Revisions for the support of the Unemployment Insurance program are not subject to the provisions of Section 28.00.
3. The department shall develop a program in conjunction with its data processing activities to efficiently share job order information among field offices within the same labor market.
4. The department shall develop procedures for maximizing the sharing of job orders among field offices within the same labor market, and for advising job seekers that each individual field office does not necessarily share job order information.
5. Of the funds appropriated by this item, the Employment Development Department shall spend discretionary Employment Services Funds made available under subdivision (b) of Section 7 of the Wagner-Peyser Act for the following activities:

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(a) No more than $500,000 shall be allocated to the Unemployed Youth-Job Track Model.
(b) $167,000 shall be allocated to contract with county veteran's service organizations.
(c) $1,014,803 shall be allocated to the Local Job Market Information Services Program.
(d) $459,000 shall be allocated for the automation of job order sharing of EDD field offices in the major cities in the Central Valley.
(e) $783,000 shall be transferred to the California Conservation Corps to provide funding for the capitalized Nonresidential Program serving ethnic minority youth.

6. $327,796 of the department's discretionary employment services funds appropriated in this item, shall be allocated to the Employment Development Department for staff and support of the California Agriculture Employment Work Group activities and contract administrative services, and $1,000,000 shall be allocated for agriculture career training and related project development and coordination to the Job Training Partnership Act, Title IV, Section 402, Community Based Organizations programs in California. The California Agricultural Employment Work Group may serve as an advisory group to coordinate projects developed with these and other appropriate Employment Training Panel and Job Training Partnership Act Funds.

5100-001-908—For Support of Employment Development Department, for Program 20—Tax Collections and Benefit Payments, payable from the School Employees Fund 567,000

Provisions:

1. Notwithstanding the provisions of Item 9840-001-988, the Director of Finance may authorize the creation of deficiencies pursuant to Section 11006 of the Government Code, for the purposes of this item.
2. Funds appropriated in this Item are in lieu of the amounts which would have otherwise been appropriated pursuant to Section 822 of the Unemployment Insurance Code.
3. Provision 1 of Item 5100-001-588 is also applicable to this item.

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5100-001-932—For Support of Employment Development Department, for Program 20—Tax Collections and Benefit Payments, payable from the Local Public Entity Employees Fund	266,000

Provisions:

1. Notwithstanding the provisions of Item 9840-001-988, the Director of Finance may authorize the creation of deficiencies pursuant to Section 11006 of the Government Code, for the purposes of this item.
2. Funds appropriated in this item are in lieu of the amounts which would have otherwise been appropriated pursuant to Section 847 of the Unemployment Insurance Code.
3. Provision 1 of Item 5100-001-588 is also applicable to this item.

5100-001-979—For support of state programs under the Job Training Partnership Act, Employment Development Department, payable from the Consolidated Work Program Fund		76,506,000
Schedule:		
(a) 60.10-Council	2,207,000	
(b) 60.20-Incentive and Technical Assistance	12,406,000	
(c) 60.30-Older Workers	6,209,000	
(d) 60.40-Educational Linkages	16,556,000	
(e) 60.50-Administration	8,159,000	
(f) 60.60-Displaced Workers	18,149,000	
(g) 60.61-Displaced Workers-Discretionary Funds	12,058,000	
(h) 60.65-Veterans	762,000	

Provisions:

1. The Job Training Coordinating Council shall apply to the federal government to allow the state to receive and administer Title IV-E funds for veterans' employment programs.
2. The State Job Training Coordinating Council shall expend $265,000 of the funds appropriated in Schedule 60.10 of this item on a subcontract to be administered by the Employment Development Department for Deaf Self-Help to provide employment services for the deaf and hearing impaired in selected department field offices. Contracted employment services shall include complete communication services for all counseling, job development, job placement and followup activities.

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3. Up to $188,000 of the funds appropriated in this item shall be provided as reimbursements to Item 8940-001-001 for the California Innovative Military Projects and Career Training (IMPACT) Program, except that these funds shall not be provided to the Military Department as reimbursements and shall be available to the Employment Development Department for expenditure for the Job Training Partnership Act Program to the extent that the Military Department receives from local agencies funds to offset costs scheduled in Item 8940-001-001.

5100-011-890—For support of Employment Development Department, payable from the Federal Trust Fund, for transfer to the Unemployment Administration Fund ..... (320,041,608)

5100-021-890—For support of Employment Development Department, payable from the Federal Trust Fund, for transfer to the Consolidated Work Program Fund 81,486,000

5100-101-185—For Local Assistance, Employment Development Department, payable from the Employment Development Contingent Fund 1,309,000

Schedule:

(a) For transfer to Unemployment Fund (871) 1,116,000

(b) For transfer to Unemployment Administration Disability Fund (870) 193,000

Provisions:

1. Notwithstanding the provisions of Item 9840-001-494, the Director of Finance may authorize the creation of deficiencies pursuant to Section 11006 of the Government Code, for the purposes of this item.
2. Funds appropriated in this item are in lieu of the amounts which would have otherwise been appropriated pursuant to Section 1586 of the Unemployment Insurance Code.

5100-101-588—For Local Assistance, Employment Development Department, for Program 20-Tax Collections and Benefits Payments, payable from the Unemployment Compensation Disability Fund 978,020,000

Provisions:

1. Notwithstanding the provisions of Item 9840-001-988, the Director of Finance may authorize the creation of deficiencies pursuant to Section 11006 of the Government Code, for the purposes of this item.

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2. Funds appropriated in this item are in lieu of the amounts which would have otherwise been appropriated pursuant to Section 3012 of the Unemployment Insurance Code.
3. "The Department of Employment Development shall submit on October 1 and April 1, to the Department of Finance for its review and approval, an estimate including the assumptions and calculations underlying EDD projections for benefits payable from this item. The Department of Finance shall approve, or modify the assumptions underlying all estimates within 15 working days of their receipt. If the Department of Finance does not approve or modify in writing, the assumptions underlying all estimates within 15 working days, the Employment Development Department shall consider the assumptions and calculations approved as submitted. If the Department of Finance determines that the estimate of benefit expenditures differ by the amount appropriated by this item, the Director of Finance shall so report to the Legislature. At the time the report is made, the amount of this appropriation shall be adjusted by the difference between this Budget Act appropriation and the DOF approved estimate. This item is not subject to the provisions of Section 28.00."

5100-101-870—For Local Assistance, Employment Development Department, for Program 20—Tax Collections and Benefits Payments, payable from the Unemployment Administration Fund 11,419,000

Provisions:

1. Funds appropriated in this item are in lieu of the amounts which would have otherwise been appropriated pursuant to Section 1555 of the Unemployment Insurance Code.
2. Provision 3 of Item 5100-101-588 is also applicable to this item.

5100-101-871—For Local Assistance, Employment Development Department, for Program 20—Tax Collections and Benefit Payments, payable from the Federal Unemployment Fund 2,489,116,000

Provisions:

1. Funds appropriated in this Item are in lieu of the amounts which would have otherwise been appropriated pursuant to Section 1521 of the Unemployment Insurance Code.
2. Provision 3 of Item 5100-101-588 is also applicable to this item.

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5100-101-890—For Local Assistance, Employment Development Department, payable from the Federal Trust Fund, for transfer to the Consolidated Work Program Fund	231,826,000
5100-101-908—For Local Assistance, Employment Development Department, for Program 20—Tax Collections and Benefit Payments, payable from the School Employees Fund	29,270,000

Provisions:

1. Notwithstanding the provisions of Item 9840-001-988, the Director of the Department of Finance may authorize the creation of deficiencies pursuant to Section 11006 of the Government Code, for the purposes of this Item.
2. Funds appropriated in this Item are in lieu of the amounts which would have otherwise been appropriated pursuant to Section 822 of the Unemployment Insurance Code.
3. Provision 3 of Item 5100-101-588 is also applicable to this item.
4. It is in the intent of the Legislature that noncertified employees of the state special schools shall be eligible for unemployment insurance benefits during the period between the spring and fall school terms.

5100-101-932—For Local Assistance, Employment Development Department, for Program 20—Tax Collections and Benefit Payments, payable from the Local Public Entity Employees Fund	4,253,000

Provisions:

1. Notwithstanding the provisions of item 9840-001-988, the Director of Finance may authorize the creation of deficiencies pursuant to Section 11006 of the Government Code, for the purposes of this Item.
2. Funds appropriated in this Item are in lieu of the amounts which would have otherwise been appropriated pursuant to Section 847 of the Unemployment Insurance Code.
3. Provision 3 of Item 5100-101-588 is also applicable to this item.

5100-101-979—For local assistance under the Job Training Partnership Act, Employment Development Department, payable from the Consolidated Work Program Fund	236,806,000

Schedule:

(a) 60.70-Adult and Youth Training Programs	161,434,000
(b) 60.80-Summer Youth Programs	75,372,000

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5100-111-185—For local assistance under the Job Training Partnership Act, Employment Development Department, for Program 60-Job Training Partnership Act, payable from the Employment Development Department Contingent Fund		1,500,000
Provisions:		
1. Funds appropriated in this Item supplement, but do not supplant, the federal Job Training Partnership Act funds.		
2. Funds appropriated in this Item are for transportation and child care stipends for enrollees in programs funded under the Job Training Partnership Act.		
5100-111-890—For Local Assistance, Employment Development Department, payable from the Federal Trust Fund		2,499,419,000
Schedule:		
(a) For transfer to the Federal Unemployment Fund (871)	2,488,000,000	
(b) For transfer to the Unemployment Administration Fund (870)	11,419,000	
5100-301-588—For capital outlay, Employment Development Department, payable from the Unemployment Compensation Disability Insurance Fund		15,000
Schedule:		
(1) 80.37.010-Minor projects	15,000	
5100-301-870—For capital outlay, Employment Development Department, payable from the Unemployment Administration Fund—Federal		1,015,000
Schedule:		
(1) 80.16.010-Project planning, new projects	25,000	
(2) 80.37.020-Minor projects	990,000	
5100-301-890—For capital outlay, Employment Development Department, payable from the Federal Trust Fund, for transfer to the Unemployment Administration Fund—Federal		(1,015,000)
Schedule:		
(1) 80.16.010-Project planning, new projects (For transfer to Item 5100-301-870(1))	(25,000)	
(2) 80.37.020-Minor Projects (For transfer to Item 5100-301-870(2))	(990,000)	
5160-001-001—For support of Department of Rehabilitation		16,670,000
Schedule:		
(a) 10-Vocational Rehabilitation Services	19,052,000	

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(b) 20-Habilitation Services	1,414,000
(c) 30-Support of Community Facilities	288,000
(d) 40.01-Administration	10,513,000
(e) 40.02-Distributed Administration	−10,513,000
(f) Reimbursements	−4,084,000

Provisions:

1. (a) It is the intent of the Legislature that Project Interdependence be continued as a Research and Demonstration program in the Department of Rehabilitation. The primary goal of Project Interdependence shall be to demonstrate that effective cooperation between state agencies and the private sector will substantially contribute to services to high school students with disabilities and groups who will benefit from assistance in career choices, employment opportunities, and employer and community acceptance, and will meet the broad goals of the California Public Education Rehabilitation systems in state and federal law. This goal shall be accomplished in part by encouraging the full integration of students with disabilities into all school and community activities. These activities shall include, but shall not be limited to, improved cooperative working relations between rehabilitation and education administration and service staff, disability awareness and positive attitude training, community service learning projects, career counseling and exploration, access surveys and barrier removal, technology exhibitions, civic and cultural public information programs, classes and other school organizations or community organizations, or both, and team building efforts. To the extent allowable under federal law, students served in the project shall include high school students who might benefit from referral for rehabilitation services or who may be Department of Rehabilitation youth clients and students from the mainstream high school population, or both, who are mutually concerned with contributing time and effort to achieve the goals of Project Interdependence.

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(b) Financial support for the project shall be established from the Federal Vocational Rehabilitation Act and other funds, state general funds, education funds, and from private sector cash and in-kind public service contributions. Any private contributions solicited, to the extent allowable under state and federal law, shall only be used to augment and not supplant any other state and federal funds.

The Department of Rehabilitation shall include the project in its annual state plan, support appropriate statewide Department of Rehabilitation field operations staff to receive training in Project Interdependence and to follow up by providing the students with disabilities, local school district staff, and employers with vocational rehabilitation services and resources, as deemed appropriate.

It is the intent of the Legislature that state general funds only be used where the activities of the project cannot be supported by other sources of federal financial participation. The Department of Rehabilitation shall seek any necessary federal waivers to maintain maximum federal financial participation.

(c) The Departments of Rehabilitation and Education shall develop and maintain an interagency agreement, which shall be revised as needed and which shall govern the operation of the project.

(d) The project director shall prepare an annual plan as part of the interagency agreement projecting the activities, budget, individuals responsible for meeting program objectives, and expected outcomes of the project to meet the mandates of the Department of Rehabilitation and the Department of Education.

(e) The project director shall report to the Legislature annually each April 1 regarding:

(1) The utilization of moneys set forth in the Budget.

(2) Achievements and problems encountered in the administration, financing, and operation of the project.

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(3) Follow through and involvement of professional staff from the Department of Rehabilitation and the Department of Education.

(4) The impact upon individuals served, benefits realized by schools, the Department of Rehabilitation, private corporations involved, and any measurable public attitude change.

(f) A public/private partnership Project Interdependence Board shall be established and maintained to provide policy oversight and prospective annual review of fiscal and program planning, and to make recommendations to the project in the design and assistance of public and private financial support.

(g) The project shall establish a separate bank account outside the State Treasury for the purposes of depositing and disbursing funds from private sources, to the extent allowable under state and federal law. The Project Interdependence Board shall recommend to the project director criteria and necessary safeguards for this separate account consistent with the the accountability and flexibility needed to administer and finance the project with private contributions.

5160-001-890—For support of Department of Rehabilitation, payable from the Federal Trust Fund 79,481,000

Schedule:

(a) 10-Vocational Rehabilitation Services 77,164,000

(b) 30-Support of Community Facilities 2,317,000

Provisions:

1. Funds appropriated by this item for the support of the Client Assistance Project may be encumbered not sooner than 30 days after written notification is provided the chairman of the fiscal committee in each house and the Chairman of the Joint Legislative Budget Committee. In the notification, the Department of Rehabilitation shall provide the Legislature with all of the following information:

(a) The activities supported by these funds.

(b) The agencies proposed to receive funds under this proposal.

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(c) The way in which the Department of Rehabilitation determined local program allocations.		
5160-101-001—For local assistance, Department of Rehabilitation		56,399,000
Schedule:		
(a) 10-Vocational Rehabilitation Services	394,000	
(b) 20-Habilitation Services	52,300,000	
(c) 30-Support of Community Facilities	3,705,000	
Provisions:		
1. The amount appropriated in this item for support of independent living centers shall not be awarded to any center which does not provide a 10 percent cash match from nonstate sources, except for those centers which have been in operation for two years or less.		
2. Funds appropriated in this item shall be allocated in such a manner as to ensure that no independent living center will receive less than it received in the 1983–84 fiscal year with the minimum allocation to be not less than $100,000 per center.		
5180-001-001—For support of Department of Social Services		50,781,000
Schedule:		
(a) 10-Welfare Program Operations	16,164,000	
(b) 20-Social Services Programs	12,974,000	
(c) 30-Community Care Licensing	18,372,000	
(d) 40-Disability Evaluation Program	6,335,000	
(e) 50-Services to Other Agencies	4,562,000	
(f) 60.01-Administration	50,126,000	
(g) 60.02-Distributed Administration	−50,126,000	
(h) Reimbursements	−7,626,000	
Provisions:		
1. The Director of Finance may authorize the transfer of General Fund moneys from Item 5180-001-001(c) to Item 5180-161-001, Program 30, Community Care Licensing, in order to allow counties to perform the facilities evaluation function.		
2. Of the funds appropriated by this item, $19,080 are for tort payments (attorney fees pursuant to Section 10962 of the Welfare and Institutions Code).		

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3. The Legislature intends that the Department of Social Services exert maximum possible effort toward obtaining enhanced federal funds participation in the state support costs and county administrative costs of each of the projects included in the Standardized Automated Welfare System (SAWS) plan. The Director of Finance shall notify the chairperson of the committee in each house that considers appropriations and the Chairperson of the Joint Legislative Budget Committee of the receipt of enhanced federal funds participation for the SAWS projects. The notice shall provide for increases in the federal funds appropriated in Items 5180-001-866 and 5180-141-866 and offsetting reductions in the General Fund amount appropriated in this item and Item 5180-141-001 for the SAWS projects to reflect the increased rate of federal funds participation.
4. It is the intent of the Legislature in providing funds for Community Care Licensing that the department conduct inspections of community care facilities that emphasize direct personal contact with facility clients in addition to physical plant inspections of the facility and records.
5. Of the funds appropriated by this item, $2,000,000 are for a Child Day Care Center Ombudsman Program.

5180-001-866—For support of Department of Social Services, payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund 106,062,000

Schedule:

(a) 10-Welfare Program Operations ..	28,284,000
(b) 20-Social Services Programs	4,653,000
(c) 30-Community Care Licensing	1,366,000
(d) 40-Disability Evaluation Program	71,633,000
(e) 50-Services to Other Agencies	126,000

Provisions:

1. The Director of Finance may authorize the transfer of Federal Funds from Item 5180-001-866(c) to Item 5180-161-866, Program 30, Community Care Licensing, in order to allow counties to perform the facilities evaluation function.

5180-101-001—For Local Assistance, Department of Social Services, Program 10.04—Payments for Children 1,553,282,000

Schedule:

(a) 10.04.005-Aid to Families with Dependent Children	1,536,163,000

Item		Amount
(b) 10.04.010-Child Support Incentives		11,365,000
(1) For Transfer to the Interstate Collections Incentive Fund for funding of Item 5180-102-919	(620,000)	
(2) For Transfer to the Support Enforcement Incentive Fund for funding of Item 5180-101-957	(10,745,000)	
(c) 10.04.015-Aid for Adoption of Children/Adoption Assistance Program		5,754,000

Provisions:

1. No funds appropriated by this item shall be encumbered unless every rule or regulation adopted and every all-county letter issued by the Department of Social Services which adds to the cost of any welfare program is approved by the Department of Finance as to the availability of funds before it becomes effective. In making the determination as to availability of funds to meet the expenditures of a rule, regulation, or all-county letter which would increase the costs of a welfare program, the Director of Finance shall consider the amount of the proposed increase on an annualized basis, the effect such change would have on the expenditure limitations for such program set forth in this act, the extent to which the rule, regulation, or all-county letter constitutes a deviation from the premises under which the expenditure limitations were prepared, or any additional factors relating to the fiscal integrity of such program or the state's fiscal situation.

   Notwithstanding the provisions of Sections 26.00 and 28.00, the availability of funds contained in this item for welfare rules, regulations, or all-county letters which add to program costs funded from the General Fund in excess of $500,000 on an annual basis, including those that are the result of a federal regulation but excluding those that are (a) specifically required as a result of the enactment of a federal or state law,

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or (b) included in the appropriation made by this act, shall not be approved by the Director of Finance sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.

Funds appropriated in this item are for welfare programs as they exist on July 1, 1984, consisting of state and federal statutory law, regulations, and court decisions, if funds necessary to carry out such decisions are specifically appropriated in this act.

For purposes of this provision "welfare" shall mean those program elements under "Welfare Program Operations," as found in the Governor's Budget and consistent with definitions used in the California Fiscal Information System (CFIS).

2. The Department of Social Services shall administer the public assistance programs so that the counties will bear no more than the amount of welfare costs that they would be obligated to bear under the applicable provisions of the Welfare and Institutions Code, without the expenditure limitations set forth herein, and so that the amount authorized to be expended in program 10.04, Aid to Families with Dependent Children Program shall fully cover the State share of aid payments and for services under such programs for the 1984–85 fiscal year.
3. There is hereby established for the next two quality control review periods, a dollar error rate standard of 4 percent, pursuant to Section 15200.4 of the Welfare and Institutions Code.

For the purposes of state sanctions pursuant to Section 15200.4 of the Welfare and Institutions Code, the error rate estimate that shall be used to measure the quality performance of each county shall be the low point estimate of the confidence interval estimated by combining the results from the two quality review samples conducted during the two subsequent quality review periods.

Amounts realized from the counties as the re-

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sult of a state fiscal sanction shall first be applied as an offset to the state's share of Program 10.04, Payments for Children. To the extent that this application results in a surplus to the General Fund appropriation for that program, such surplus shall revert to the General Fund.

4. The Director of Finance is authorized to approve expenditures in those amounts made necessary by changes in either caseload or payments, or any rule or regulation adopted and any all-county letter issued in Program 10.04, Payments for Children, as a result of the enactment of a federal or state law, the adoption of a federal regulation, or the following of a court decision, during the 1984–85 fiscal year which are within or in excess of amounts appropriated in this act for that year.

   If the Director of Finance determines that the estimate of expenditures will exceed the expenditures authorized for program 10.04, Payments for Children, the director shall so report to the Legislature. At such time as the report is made, the amount of the limitation shall be increased by the amount of such excess unless and until otherwise provided by law.

5. Notwithstanding Chapter 1 of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed $85,000,000 shall be made available from the General Fund from funds not otherwise appropriated, to cover the federal share of costs for the Aid to Families with Dependent Children Program when the federal share has not been received by this state prior to the usual time for transmitting such federal share to the counties of this state. Such loan from the General Fund shall be repaid when the federal share becomes available.

6. The Department of Social Services shall enter into an agreement with the Employment Development Department to provide for the transfer of all or a portion of the welfare grants for the participants in subsidized employment programs operated by the Employment Development Department pursuant to Chapter 1077 of the Statutes of 1981, and Chapter 1080 of the Statutes of 1981.

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7. $6,451,000 of the amount appropriated in this item and $2,999,000 of the amount appropriated in Item 5180-101-866 shall be used to increase foster care home rates.

$7,034,000 of the amount appropriated in this item and $1,646,000 of the amount appropriated in Item 5180-101-866 shall be used to increase group home rates. Groups homes in existence since fiscal year 1982–83 shall be eligible to receive up to a 9.97 percent increase to be reflected in their rates. Group homes in existence since fiscal year 1983–84 shall be eligible to receive up to a 1.7 percent increase.

8. Upon request of the State Department of Social Services, the Director of Finance shall transfer such funds as are necessary to implement the Asset Clearance Match program on a statewide basis as follows: from this item to Item 5180-001-001 an amount up to $156,000; and from this item to Item 5180-141-001, an amount up to $124,000; and from Item 5180-101-866 to Item 5180-001-866 an amount up to $155,000; and from Item 5180-101-866 to Item 5180-141-866 an amount up to $456,000.

The Department of Social Services may also establish positions necessary to implement this program after July 1, 1984.

5180-101-866—For local assistance, Department of Social Services, Program 10.04—Payments for Children, payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund 1,679,823,000

Schedule:

(a) 10.04.005-Aid to Families with Dependent Children		1,660,675,000
(b) 10.04.010-Child Support Incentives		18,183,000
(1) For transfer to Interstate Collection Incentive Fund for funding of Item 5180-102-919	(992,000)	
(2) For transfer to Support Enforcement Incentive fund for funding of Item 5180-101-957	(17,191,000)	
(c) 10.04.015-Aid for Adoption of Children/Adoption Assistance Program		965,000

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Provisions:

1. The federal share of programs funded by this item is not subject to the provisions of Section 28.00.
2. Provisions 1 through 6, inclusive, of Item 5180-101-001 are also applicable to this item.

5180-101-919—For local assistance, Department of Social Services, Program 10.04—Interstate Collections Incentive Fund 600,000

5180-101-957—For local assistance, Department of Social Services, Program 10.04.010—Child Support Incentives, payable from the Support Enforcement Incentive Fund 27,936,000

Schedule:

(a) Amount payable to the counties .. 27,365,000

5180-102-919—For Local Assistance, Department of Social Services, Program 10.04.010 Child Support Incentives, payable from the Interstate Collection Incentive Fund 1,612,000

5180-111-001—For local assistance, Department of Social Services, Program 10.08—SSI/SSP 1,096,645,000

Provisions:

1. Provision 1 of Item 5180-101-001 is also applicable to this item.

5180-111-866—For local assistance, Department of Social Services, Program 10.08—SSI/SSP, payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund 5,288,000

Provisions:

1. Provision 1 of Item 5180-101-001 is also applicable to this item.

5180-121-001—For local assistance, Department of Social Services, Program 10.12—Special Adult Programs 1,500,000

Provisions:

1. Provision 1 of Item 5180-101-001 is also applicable to this item.
2. The Department of Social Services shall establish and maintain an allocation plan whereby costs of administering grants under the special circumstances program will be reasonable and effectively controlled within the amount appropriated therefor. In developing the plan, the department shall consider the relative cost of administering the grants and ways to reduce administrative costs. Allocations to each county shall be based on the plan. The department shall not allocate funds to cover county costs overruns

Item	Amount
which result from county failure to meet the requirements of the plan. The proposed allocation plan shall become effective no sooner than 30 days after it is submitted to the Chairperson of the Joint Legislative Budget Committee.	
5180-121-866—For local assistance, Department of Social Services, Program 10.12—Special Adult Programs, payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund	52,000
Provisions:	
1. Provision 1 of Item 5180-101-001 is also applicable to this item.	
5180-131-866—For local assistance, Department of Social Services, Program 10.24—Refugee Cash Assistance Programs, payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund	56,842,000
5180-141-001—For local assistance, Department of Social Services, Program 10.20—County Administration	117,240,000
Provisions:	
1. The Department of Social Services may act in the place of any county and assume direct responsibility for the administration of eligibility and grant determination. Upon recommendation of the Director of Social Services, the Department of Finance may authorize the transfer of funds from Items 5180-141-001 and 5180-141-866, to Items 5180-001-001 and 5180-001-866 for this purpose.	
2. During the 1984–85 fiscal year, pursuant to Sections 15204.5 and 18906 of the Welfare and Institutions Code, the Department of Social Services shall continue the implementation of a plan whereby costs for county administration for AFDC and Food Stamp Programs will be effectively controlled within the total state funds appropriated for Program 10.20, County Administration.	
Notwithstanding any provisions of the Welfare and Institutions Code to the contrary, the total amount of state funds available to the counties for administration of the programs specified in Program 10.20, County Administration, shall be limited to the amount appropriated for that program.	

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4. Notwithstanding any other provisions of law, the Department of Social Services may withhold state financial support of a county's automated welfare operations if the county does not provide a fiscal accounting of such operations in the form and manner as may be requested by the department. Provided further, that the Department of Social Services may enter into an agreement with a county wherein state financial support for the development or modification of county-automated welfare operations is conditioned upon the realization of savings projected by the county.
5. Provision 1 of Item 5180-101-001 is also applicable to this item.
6. All counties with State Department of Social Services approved Early Fraud Prevention/Detection Programs shall refer to a fraud investigation only after applicants have completed and signed the application for aid. If eligibility for assistance is established, such referral and investigation shall not delay the receipt of aid, including immediate need payments.

   It is the intent of the Legislature that no intimidation based on fraud allegations shall occur whether by referral, or threat of referral, prior to the completion of the application for aid. Whenever an application is withdrawn because of a fraud referral, such withdrawal shall be documented by a caseworker and the county shall keep records of all such withdrawals.

   For those applicants withdrawing, the caseworker shall give the applicant a complaint form that may be mailed to the county by the applicant. The county shall keep copies of all complaints.

   The department shall approve county proposals which provide satisfactory results regardless of the personnel classifications utilized. No proposal shall be approved that includes the employment of uniformed investigators. Counties shall give first priority for hiring additional fraud detection specialists to those county employees who have been laid off as a result of funding cuts and shall provide the necessary training to these individuals in order for them to carry out the duties of the position.

   The department shall submit by January 1,

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1985, a report to the Joint Legislative Budget Committee and the fiscal committees describing the methodology used to calculate the savings by this project.

The department shall also submit a report to the Joint Legislative Budget Committee by April 15, 1985, describing the following: summaries of county programs; the costs of the program in each county; the number of applications in each county; the number of cases referred in each county; the number of investigations; the number of cases denied or withdrawn; the number of cases referred to the District Attorney's Office for prosecution; the actual savings generated by this program since its implementation. Additionally, any complaints received by the county regarding the county programs shall be included in the report.

The department shall have an Early Welfare Fraud Detection Advisory Committee that shall review all plans submitted to the department prior to approval by the department, and the department shall take into consideration the comments of the committee prior to approving or rejecting the county plan. The committee shall be composed of two persons appointed by the California Welfare Fraud Investigators Association, two persons appointed by the California Welfare Directors Association, two persons appointed by social services labor unions, and two persons appointed by the Coalition of California Welfare Rights Organizations. The committee shall meet not more than quarterly and make such reports as it deems appropriate to the Legislature and the director of the department. The committee may also hold hearings regarding the effectiveness of the program, including for the purposes of receiving views of persons wishing to express their opinions about the program.

The department shall reimburse members for their travel and per diem expenses.

7. Upon request of the Department of Social Services, the Director of Finance shall transfer an additional amount not to exceed $3,000,000 to Item 5180-001-001 to enable the department to reimburse the Employment Development Department for services provided pursuant to an

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interagency agreement required to implement the Welfare Employment Services and Training Program.

5180-141-866—For local assistance, Department of Social Services, Program 10.20—County Administration payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund..... 332,243,000

Provisions:

1. Provisions 1 through 5, of Item 5180-141-001 are also applicable to this item.

5180-151-001—For local assistance, Department of Social Services, Program 20—Social Services Programs 219,624,700

Schedule:

(a) 20.30-Other County Social Services		35,362,600
(1) 20.30.010 Child Welfare Services Grant	35,362,600	
(b) 20.35-Specialized Adult Services		151,217,700
(1) 20.35.220 In-Home Supportive Services	144,677,600	
(2) 20.35.240 Maternity Care	2,104,000	
(3) 20.35.250 Access Assistance for the Deaf	4,436,100	
(c) 20.40-Specialized Family and Children's Services		355,000
(d) 20.42-Adoptions		23,935,700
(e) 20.44-Demonstration Programs		8,753,700

Provisions:

1. The amounts contained in this schedule are for Social Services Programs, for the cost of special social service programs for which federal grants in aid are made to the state; for grants or services to local agencies for the extension of child welfare services as provided by Chapter 5 (commencing with Section 16500) Part 4, Division 9 of the Welfare and Institutions Code; for the cost of the adoption programs and care of children, to be expended in accordance with the provisions of Chapter 2 (commencing with Section 16100) of Part 4 of Division 9 of the Welfare and Institutions Code; for the costs incurred by counties, including, but not limited to, the required matching funds, for in-home supportive

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services as provided by Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code; and for the cost of statewide demonstration programs.

2. Provision 1 of Item 5180-101-001 is also applicable to this item.
3. In accordance with the provisions of Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code, $315,940,606, consisting of $144,677,600 scheduled in (b)(1) of this item, $165,650,000 scheduled in (b)(1) of Item 5180-151-866 and $5,613,000 in county funds is the designated level of funding for the In-Home Supportive Services Program for fiscal year 1984–85.
4. Notwithstanding Chapter 1 of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed $22,800,000 may be made available from the General Fund from funds not otherwise appropriated upon the approval of the Director of Finance to cover the federal share of costs for the In-Home Supportive Services Program when the federal share has not been received by this state prior to the usual time for transmitting such federal share to the counties of this state. Such loan from the General Fund shall be repaid when the federal share becomes available.
5. The funds allocated for the Child Welfare Services (CWS) shall be be allocated to the counties based on a cost control plan. In preparing the cost control plan for fiscal year 1984–85, the department shall consult with the counties, and, to the extent possible, use allocation factors used in fiscal year 1983–84 to allocate CWS funds. For fiscal year 1984–85, each county shall receive not less than the amount of CWS funds the county received in fiscal year 1983–84.

   The Department of Social Services shall base the allocation of CWS funds on the amounts appropriated in category (a)(1) and category (a)(1) of Item 5180-151-866.

   The department shall, in conjunction with representatives of county government, develop an allocation methodology for implementation by July 1, 1985, which appropriates funds for

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CWS on the basis of caseload and workload measurements established by the Department for Emergency Response, Family Maintenance, Family Reunification Program and Permanent Placement components of Chapter 978, Statutes of 1982.

It is the intent of the Legislature to provide counties with sufficient flexibility to manage their programs efficiently. Thus, a county may allocate a different amount for CWS than what is contained in the department's cost control plan, as long as it provides the department with acceptable documentation that the changes can be accomplished without reducing the level of services initially funded for CWS.

To do so, the county must notify the Director of Social Services in writing of its intent to fund CWS at a different level than included in the cost control plan. The notification shall include (a) the amount of the proposed transfer; (b) an identification of the purposes for which the funds will be used; and (c) the impact of any transfer on the level of services affected.

If the total amount of transfers from the counties are different from the amount appropriated by this act, the department shall notify the Department of Finance.

The Director of Finance may authorize the transfer of funds between those appropriated for CWS and those appropriated for In-Home Supportive Services (IHSS) administration, information and referral, adult and optional services no sooner than 30 days after written notification to the chairpersons of the fiscal committees of each house and the Chairperson of the Joint Legislative Budget Committee. The notification shall include (1) the amount of proposed transfer; (2) an identification of the purposes for which the funds will be used; (3) the impact of any transfer on the level of services; and (4) documentation that the transfer can be accomplished without reducing the level of services initially funded by this act for CWS.

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6. The CWS allocation plan for 1984–85 shall provide each county with as much flexibility in determining how to use the funds provided for these programs as is consistent with current law and regulation. The plan shall advise each county the caseload and workload measurements that the department used in developing the plan, but shall allow the county to determine its own social worker workloads according to local needs and conditions, consistent with the funding available and to the extent that the minimum service levels established in current law and regulation are provided.
7. No later than 30 days before allocation of funds to public adoption agencies are made, the Department of Social Services shall submit to the chairpersons of the fiscal committees of each house and the Chairperson of the Joint Legislative Budget Committee a plan for allocating the funds appropriated under this item for the relinquishment adoption program. The amount of the allocation shall be based on each public adoption agency's caseload, and shall be allocated in the following manner:

   All agencies shall receive caseload-based allocations. Prior to making the allocation, the department shall review the efficiency of each agency as measured by the number of placements per adoption worker Full-Time Equivalents (FTE) during the most recent one-year period for which information is available at the time the plan is submitted. An agency shall be considered to have maintained a high level of efficiency if its placements to FTE ratio is at or above the statewide average.

   Agencies that have performed at efficiency levels that are less than the statewide average shall receive funds on the condition that each agency agrees to meet an efficiency goal established by the Department.

   For each agency, the goal shall be expressed in terms of either (a) the number of placements that the agency shall make per adoption worker FTE, or (b) a percentage by which the agency will increase its placements per FTE during 1984–85. In establishing this efficiency goal, the department shall consider whether the agency's low-efficiency level is due to (a) unusual charac-

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teristics of the local judicial system; (b) the number of hard-to-place children in the agency's caseload; or (c) a lack of availability of adoptive homes in the agencies' jurisdiction. If the department determines that the reason for an agency's low-efficiency level is either the local judicial system or a lack of availability of adoptive homes, the department shall develop, in cooperation with the affected agency, a corrective action plan to address these problems and shall submit these plans to the Legislature by December 1, 1984. In addition to the allocation plan, the department shall submit a report to the Legislature by December 1, 1984, which identifies a statewide goal for the number of children to be placed in the relinquishment adoption program during 1984–85 and the resulting backlog of children who are expected to be under adoptive study and receiving adoption services, but not yet placed in adoptive homes by the end of 1984–85.

8. Funds provided by this act to fund programs authorized by Chapter 1398, Statutes of 1982, shall be used to supplement, not supplant, services provided pursuant to Section 16501 of the Welfare and Institutions Code to create a continuum of services.
9. All contracts funded in 1983–84 under the authority of Chapter 1398, Statutes of 1982 shall be extended through the contract amendment process with the following exceptions:
   (1) Indirect services may be rebid to direct services by counties.
   (2) Counties offering services through public agencies may rebid to private, non-profit agencies.
   (3) Contracts which are subject to termination as determined by performance agreements in the contract.
   (4) Contracts that are no longer meeting local need priorities as determined by the board of supervisors pursuant to a public hearing process.
   (5) An existing contractor notifies the county of intention not to continue as a service provider.

   New or amended contracts shall be subject to the approval of the Department of Social Serv-

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ices. All contracts shall have a termination date no later than June 30, 1985.

Nothing in this language precludes counties from rebidding contracts if other sources of funds are utilized to fund programs initially funded by Chapter 1398, Statutes of 1982.

The department shall develop a performance evaluation method which shall be implemented by February 1, 1985, to determine the effectiveness of Chapter 1398, Statutes of 1982 projects. This evaluation method will include effectiveness measures of overall project performance with regard to client outcomes, community impacts, program activity costs and the types and extent of services offered. The evaluation method will develop information about how well private contract projects are coordinated in needs assessment planning and case referral with public child welfare services agencies.

10. The respite care demonstration projects shall be funded in 1984–85, and thereafter shall be considered for funding as part of the ongoing program authorized by Chapter 1398, Statutes of 1982.
11. It is the intent of the Legislature that of the $1,000,000 appropriated in this item for the purpose of innovative projects carried out through contract with the Office of Criminal Justice Planning pursuant to Chapter 1398, Statutes of 1982, first consideration shall be given to those projects funded in the 1983–84 fiscal year.
12. Of the funds appropriated in category (b) (3), up to $360,000 shall be made available for support of access assistance services in San Bernardino and Riverside Counties.
13. Of the funds appropriated in category (b) (3), up to $50,000 shall be made available for support of access assistance services in Tulare and Kings Counties.

5180-151-866—For local assistance, Department of Social Services, Program 20—Social Services Programs payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund 393,271,500

Schedule:

(a) 20.30-Other County Social Services 180,175,000

(1) 20.30.010 Child Welfare Services Grant 129,832,000

Item			Amount
(2) 20.30.030 County Services Block Grant	50,343,000		
(b) 20.35-Specialized Adult Services			165,650,000
(1) 20.35.220 In-Home Supportive Services	165,650,000		
(c) 20.40-Specialized Family and Children Services			14,600,000
(1) 20.40.260-Work Incentive Program	10,100,000		
(2) 20.40.267 Job Partnership Training Act	4,500,000		
(d) 20.42-Adoptions			19,500
(e) 20.44-Demonstration Programs			359,000
(f) 20.45-Refugee Assistance Services			32,468,000

Provisions:

1. Provisions 1 and 3 of Item 5180-151-001 and provision 1 of Item 5180-101-001 are also applicable to this item.
2. Any unexpended funds from the Job Training Partnership Act available for child care programs in 1983–84 shall be available for expenditure in 1984–85 for the same purpose.
3. It is the intent of the Legislature in appropriating social services funds for refugees that the Department of Social Services shall develop guidelines for counties and shall execute the transfer of contract administration responsibilities in the following manner:
   (a) Prior to October 1, 1984, the Department shall work jointly with the county Board of Supervisors to develop plans of services, continue contracts which are performing satisfactorily for fiscal year 1984–85 without disrupting services, and evaluate programs in a manner consistent with this provision. Counties are encouraged to evaluate existing projects to determine their effectiveness. In addition, if, in consultation with the counties, it is determined that programs that were not extended by DSS for the period of April 1, 1984, to October 1, 1984, should be renewed, then such renewal shall be allowed. If a county finds that a project is not performing adequately, it can recommend to DSS that new Requests for Proposals be

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issued in that county.

(b) County plans shall be developed with the significant participation and input by the local private sector, the refugee community, and other interested parties. The Board of Supervisors of each county or, in San Francisco, the Mayor may appoint a county planning group for this purpose.

Requests for Proposals and accompanying procedures, including contract compliance, shall be simplified to the extent feasible to facilitate a wider participation by refugee community-based organizations.

(c) Projects should attempt to facilitate refugee leadership development. Priority funding should be given to refugee community-based organizations if they demonstrate the capacity to implement the proposed programs.

(d) The department shall review and approve county plans to ensure compliance with these requirements.

4. The Department of Social Services (DSS) shall issue a Request for Proposals (RFP) for Mutual Assistance Agencies (MAA) capacity building utilizing federal MAA incentive funds available to California. This RFP shall be developed and administered by DSS with the ultimate objective of making MAAs more competitive in seeking funds to serve refugees. Particular emphasis in the RFP shall be placed on successful MAAs assisting other MAAs. Predicated on federal approvals, the contracts shall commence on October 1, 1984, so that MAAs are in a better position to compete for federal funds for fiscal year 1985–86.

5. It is the intent of the Legislature in appropriating targeted assistance funds for refugees that the Department of Social Services (DSS) shall administer these funds in such a manner to insure that the result is direct services aimed at increased employment of refugees and resulting in greater economic self-sufficiency and reduced dependency on welfare. It is further the intent of the Legislature to help refugees acquire the capacity and develop the leadership necessary to their integration in the mainstream of American society. The department shall de-

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velop guidelines and planning requirements for the administration of these funds in the following manner:

(a) Provide maximum flexibility to counties for economic development proposals relative to local conditions (i.e., farm technology in Fresno, computer technology in Santa Clara).

(b) Provide economic development that yields tangible benefits (i.e., training projects should be tied to job commitments).

(c) Priority should be to provide innovative projects for economic self-sufficiency.

(d) Encourage projects which maximize the use of voluntary contributions or loans for capital improvements to be used in conjunction with targeted assistance funds as an overall package.

(e) Projects should attempt to facilitate refugee leadership development. Priority funding should be given to refugee community-based organizations if they demonstrate the capacity to implement the proposed programs. A refugee community-based organization is defined as an organization in which the majority of administrative, management and policy-making positions are held by refugees.

(f) Requests for proposals and accompanying procedures, including contract compliance, shall be simplified to the extent feasible to facilitate a wider participation by refugee community-based organizations.

(g) Development of local plans must have significant participation by and input from the local private sector, the Private Industry Council, the refugee community, and other interested parties, before the department shall approve local plans.

6. The department shall (with the assistance of the State Personnel Board and the Department of Personnel Administration) contract with up to one person per county in the Office of Refugee Services to work closely with the counties and projects in implementing the targeted assistance program. These individuals should have some experience in communities and their economic development. These individuals shall be

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responsible for helping refugee community-based organizations acquire and develop the capacity to compete for and operate service programs. These individuals shall also help counties in the planning and ongoing evaluation processes.

The amount of fund set aside for this purpose shall not exceed one-half of the amount appropriated for state administrative costs of the Targeted Assistance Program. This paragraph is conditional upon availability of federal funds for the Targeted Assistance Program.

5180-161-001—For local assistance, Department of Social Services, Program 30—Community Care Licensing 7,515,000

Provisions:

1. The Director of Finance may authorize the transfer of amounts from this item to Item 5180-001-001, Program 30—Community Care Licensing, in order to allow the state to perform the facilities evaluation function in the event the counties fail to perform such function, or to provide an equitable funding between the state and the counties based on recent caseload estimates. By December 1, 1984, the Department of Social Services shall report to the Legislature the actual and anticipated Family Day Care caseloads and any actions necessary to adjust state and county budgets.

5180-161-866—For local assistance, Department of Social Services, Program 30—Community Care Licensing, payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund 2,707,000

Provisions:

1. The Director of Finance may authorize the transfer of amounts from this item to Item 5180-001-866, Program 30, Community Care Licensing, in order to allow the state to perform the facilities evaluation function in the event the counties fail to perform such function.

5180-181-001—For local assistance, Department of Social Services, Program 97.10—Special Adjustments —Cost-of-Living Adjustments, to be transferred to and in augmentation of programs, upon approval of the Department of Finance, effective July 1, 1984, in accordance with the following schedule 226,612,000

Item	Amount
Schedule:	
(a) 10.08—SSI/SSP (for transfer to Item 5180-111-001 to provide a statutory cost of living increase) ..	99,951,000
(b) 20—Social Services Program (for transfer to Item 5180-151-001 to provide a 5.4 percent cost of living increase)	26,612,000
(c) 30—Community Care Licensing (for transfer to Item 5180-161-001 to provide a 5.4 percent cost of living increase)	405,000
(d) 10.04.005—Aid to Families with Dependent Children (for transfer to Item 5180-101-001 to provide a statutory cost-of-living increase) ..	93,493,000
(e) 10.20—County Administration (for transfer to Item 5180-141-001 to provide a cost-of-living increase)	6,151,000

Provisions:

1. Funds appropriated under this item are to be used only for an In-Home Supportive Services (IHSS) provider wage and benefit cost-of-living adjustment. All counties shall grant cost-of-living adjustments (COLAs) to its IHSS providers. The amount of COLA for any individual provider(s) is to be decided by the county, but, the allocation to each individual county pursuant to this section shall not be affected by the provider COLA given in any county.

   The COLA shall apply to wages beginning July 1, 1984. If for any reason payment cannot begin on the next scheduled payday after July 1, 1984, waivers shall be granted to the counties to allow for retroactive paychecks back to July 1, 1984. In counties which contract with private provider companies for IHSS, provisions shall be made to pass through the COLA to the contract homemakers effective July 1, 1984.

2. Notwithstanding any other provision of law to the contrary, General Fund money appropriated by this item for Program 10.20, County Administration, shall be used solely to support the General Fund share of cost-of-living increases granted by each county based on the actual increases granted in 1984–85 as applied to the costs allowable under the 1983–84 administrative cost

Item		Amount
control plan.		
5180-181-866—For local assistance, Department of Social Services, Program 97.10—Special Adjustments—Cost-of-Living Adjustments, payable from the Social Welfare Federal Fund after transfer from the Federal Trust Fund, to be transferred to and in augmentation of programs, upon approval of the Department of Finance, effective July 1, 1984, in accordance with the following schedule		121,380,000
Schedule:		
(a) 10.20—County Administration (for transfer Item 5180-141-866 to provide a cost of living increase)	16,826,000	
(b) 20—Social Services Programs (for transfer to Item 5180-151-866 to provide a 5.4 percent cost of living increase)	1,603,000	
(c) 10.24—Refugee Cash Assistance Programs (for transfer to Item 5180-131-866 to provide a 5.6 percent cost of living increase)	1,143,000	
(d) 10.04.005—Aid to Families with Dependent Children (for transfer to Item 5180-101-866 to provide a 5.6 percent cost of living increase)	101,279,000	
(e) 10.08—SSI/SSP (for transfer to Item 5180-111-866 to provide a cost-of-living increase)	383,000	
(f) 30—Community Care Licensing (for transfer to Item 5180-161-866 to provide a 5.4 percent cost of living increase)	146,000	

5180-490—Reappropriation, Department of Social Services. On the effective date of this act, notwithstanding any other provisions of law, any unencumbered balances of the appropriation provided in Chapter 1398, Statutes of 1982, is reappropriated for Demonstration Programs, Item 5180-151-001 (e) of this act, and shall be available for expenditure until June 30, 1985.

Reappropriation, Department of Social Services. Notwithstanding any other provisions of law, on the effective date of this act, up to $3,000,000 of the unencumbered balances of the appropriations provided in Item 5180-151-001 (b) (1) and Item 5180-181-001 (c), Budget Act of 1983, and up to $2,000,000 of the unencumbered balance of the appropriation provided in Item 5180-151-001, Budget Act of 1983,

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are hereby reappropriated to fund a three-year pilot project in Santa Cruz County ($2,500,000) and the first year of a three-year pilot project in San Diego County ($2,500,000), as authorized by Section 12314 of the Welfare and Institutions Code.

These funds shall be used first to fund pilot projects in San Diego and Santa Cruz Counties. If either of these counties are unable to use these funds, the remaining funds shall be available in 1984–85 for other counties that apply to the Department of Social Services for the same purposes.

5190-001-142—For support of California Health Facilities Commission, in accordance with the provisions of Part 1.7 (commencing with Section 440) of Division 1 of the Health and Safety Code, payable from the California Health Facilities Commission Fund 3,880,000

Schedule:

(a) 100000-Personal Services 2,515,000
(b) 300000-Operating Expenses and Equipment 1,470,000
(c) Reimbursements ..... −105,000

Provisions:

1. In adopting its assessment fee rates for hospitals and long term care facilities, the commission shall update its expenditures and revenue projections based on the most recent information available and shall provide for a contingency reserve not to exceed $200,000.

YOUTH AND ADULT CORRECTIONAL AGENCY

5240-001-001—For support of Department of Corrections..... 703,222,000

Schedule:

(a) 21-Institution Program 649,514,000
(b) 31-Community Correctional Program 66,152,000
(c) 41.01-Administration 56,798,000
(d) 41.02-Distributed Administration −56,798,000
(e) Reimbursements ..... −12,444,000

Provisions:

1. Funds appropriated to accommodate projected institutional population levels in excess of those which actually materialize, if any, shall revert to the General Fund, unless the encumbrance of such funds is authorized by the Department of Finance, not sooner than 30 days after notification in writing of the necessity therefor, to the

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chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee.

2. The amount not to exceed $1,294,000 is appropriated from the General Fund for payment of worker's compensation claims of inmates pursuant to Sections 3364.55, 3365, and 3370 of the Labor Code and Section 2700 of the Penal Code; and for payment of unemployment insurance and disability insurance claims of, and for support of Department of Corrections, Employment Development Department, and California Unemployment Insurance Appeals Board for claims of inmates pursuant to Chapter 5.8 (commencing with Section 1480) of Part 1 of Division 1 of the Unemployment Insurance Code, Department of Corrections provided, that expenditures made pursuant to this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.
3. The department shall report to the Legislature by December 1, 1984, on the amount of reimbursement that the Prison Industry Authority will pay to the department during 1984–85. The Department of Finance may schedule any reimbursement from the Prison Industry Authority that exceeds the amount already scheduled in this item. The Department of Finance shall unallot funds equaling the increased reimbursement. Any funds so unallotted shall revert to the General Fund.
4. The department shall audit the duties performed by correctional officer positions designated as search and escort and report to the Legislature findings by December 1, 1984. The positions designated as search and escort for purposes of such audit shall be made limited term positions which terminate as of June 30, 1985, unless the audit justifies the need of such designated positions.
5. Notwithstanding any other provision of law, at least 30 days prior to entering into any contract, or amending any existing contract, by the Department of Corrections for program management services, the director shall submit the proposed contract to the chairpersons of the fiscal committees and the Chairperson of the Joint Legislative Budget Committee, or prior to what-

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ever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine. Program management services include all services provided by the department's capital expenditure managers (Kitchell CEM or any successor) to assist in the planning and implementation of the department's new prison construction program.

6. The department shall phase out, beginning January 1, 1985, positions currently justified because of the need to move higher risk inmates to facilities not designated to house such inmates. These positions shall also be made limited term positions terminating as of June 30, 1985, or sooner. The existing inmate classification system, the basis of such inmate movement, is currently being reevaluated and, as revised, will serve as the basis for the phased reduction.
7. The department shall implement and evaluate a urine testing pilot project within currently budgeted resources to validate the use of new drug testing technology for use as evidence in court.
8. The positions and associated funds to staff nine new prisons in 1984 are approved and authorized. No positions may be filled prior to 30-day advance notification of the Joint Legislative Budget Committee, the fiscal committees, and the Joint Prison Committee. The approval of these positions in this act is not approval of any specific staffing pattern for these institutions, which must, under current law, be approved by the Joint Prison Committee.
9. An amount not to exceed $200,000 is appropriated for the department to develop and implement, as part of its prison construction program, a community relations plan to solicit and receive public comments from including, but not limited to, neighborhood groups and organizations, PTA's, citizens' advisory councils, and church groups regarding the placement and construction of correctional facilities in local communities. The department is authorized to hire consultants to the extent necessary to assist the department in this function.

5240-001-890—For support of Department of Corrections payable from Federal Trust Fund 199,000

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Schedule:

(a) 21-Institution Program 188,000

(b) 31-Community Correctional Program 11,000

5240-001-917—For support of Department of Corrections, Program 21—Institution Program, payable from the Inmate Welfare Fund 12,030,000

Provisions:

1. Additional expenditures may be made from the Inmate Welfare Fund for purposes of this item if revenue is available and in accordance with Section 28.
2. The limitations of Item 9840-001-988 shall not apply to any deficiency expenditure authorization for the Inmate Welfare Fund.

5240-101-001—For local assistance, Department of Corrections 17,704,000

Schedule:

(a) 21-Institution Program 4,836,000

(b) 31-Community Correctional Program 12,868,000

Provisions:

1. The amount of $394,000 is appropriated from the General Fund for transportation of prisoners to and between state prisons, including the return of parole violators to prison and for the conveying of persons under provisions of Division 3 (commencing with Section 3000) of the Welfare and Institutions Code and the Western Interstate Corrections compact (commencing with Section 11190 of the Penal Code), in accordance with the provisions of Section 26749 of the Government Code. Provided, that claims made against this item of appropriation shall be filed by the local jurisdictions within six months after the end of the month in which such transportation costs were incurred; and provided further, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.

   Provided further, that claims filed by the counties directly with the State Controller may be paid by the Controller.

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2. The amount of $12,868,000 is appropriated from the General Fund for reimbursement to counties for the cost of detaining state parolees pursuant to Section 4016.5 of the Penal Code, Department of Corrections provided, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.
3. The amount of $1,674,000 is appropriated from the General Fund for expenses of returning fugitives from justice from outside the state, in accordance with the provisions of Sections 1389, 1549 and 1557 of the Penal Code provided, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller, and any restitution received by the state for such expenses be credited to the appropriation of the year in which the State Controller's receipt is issued.

   Provided further, that claims filed by the counties directly with the State Controller may be paid by the Controller.
4. The amount of $2,768,000 is appropriated from the General Fund for court costs and county charges, payable under Sections 4700 and 4700.5 of the Penal Code, in connection with coroners' services and trials of inmates charges with commission of a crime or crimes while incarcerated in a state institution or prison under the Department of Corrections provided, that claims filed payable under Section 6005 of the Penal Code may be paid by the Department of Corrections from funds appropriated by this item. Provided further, that claims made against this item of appropriation shall be filed by the local jurisdictions within six months after the end of the month in which such court costs and county charges were incurred; and provided further, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.

   Provided further, that claims filed by the counties directly with the State Controller may be paid by the Controller.

5240-301-724—For capital outlay, Department of Corrections, payable from the 1984 Prison Construction Fund..... 16,743,000

Item	Amount
Schedule:	
(1) 61.16.011-Sierra Conservation Center-Upgrade Water Distribution System-Preliminary Plans, Working Drawings and Construction	573,000
(2) 61.06.005-Deuel Vocational Institution-Rehabilitate Sewage Treatment Plant-Preliminary Plans, Working Drawings and Construction	1,202,000
(3) 60.05.033-Correctional Training Facility-Sewage Treatment Plant Expansion-Construction	1,602,000
(5) 61.06.006-Deuel Vocational Institution-Flood Control, onsite Preliminary Plans, Working Drawings and Construction	551,000
(5.1) 61.06.405-Deuel Vocational Institution-Offsite Pump Improvements-Preliminary Plans	11,000
(6) 61.10.045-California Men's Colony-Replace Sewage Collector Lines-Preliminary Plans, Working Drawings and Construction	1,028,000
(7) 61.06.007-Deuel Vocational Institution-New Domestic Water Supply-Preliminary Plans and Working Drawings	47,000
(9) 61.05.008-Correctional Training Facility-Replace Food Service Building-Construction	1,888,000
(10.1) 61.01.401-Statewide Study for Emergency Power	108,000
(15) 61.15.011-California Rehabilitation Center-Security Lighting-Main Facility-Preliminary Plans, Working Drawings and Construction	290,000
(16) 61.12.018-San Quentin State Prison-Ranch Dormitory-Preliminary Plans, Working Drawings and Construction	499,000
(18.1) 60.01.402-Statewide Study-Fire and Life Safety	240,000
(24.1) 61.05.403-Corrections Training Facility-Primary and Secondary Distribution System-Study	45,000

Item	Amount
(32) 61.03.018-California Correctional Center-Catwalks on Roof-Preliminary Plans, Working Drawings and Construction	222,000
(35) 61.14.010-Minor Projects	2,049,000
(37) 61.05.404-Correctional Training Facility-Recreation Yard-Lighting-Preliminary Plans, Working Drawings and Construction	500,000
(38) 61.08-California Institution for Men-Upgrade Sewage Treatment Plant-Preliminary Plans, Working Drawings and Construction	813,000
(39) 61.12-San Quentin State Prison-Security Improvements, Ranch Area-Preliminary Plans, Working Drawings and Construction	121,000
(40) 61.15.407-California Rehabilitation Center-Acquire and Connect New Sewage Treatment Plant Capacity	520,000
(41) 61.15.015-California Rehabilitation Center-Modify Perimeter Gunposts-Preliminary Plans, Working Drawings and Construction	264,000
(42) 61.15.016-California Rehabilitation Center-Security Enclosures and Lighting-Preliminary Plans, Working Drawings and Construction	1,150,000
(43) 61.04.003.001-Southern Maximum Security Complex, Tehachapi-Units IVA and IVB-Equipment	1,686,000
(44) 61.04.003.002-Southern Maximum Security Complex, Tehachapi-Support Services Facilities-Equipment	184,000
(45) 61.01.015.010-Northern California Women's Facility, San Joaquin County-Design Development and Working Drawings	102,000
(46) 61.01.015.020-Northern California Women's Facility, San Joaquin County-Total Facility-Working Drawings	948,000
(47) 61.01.007.001-General and Advance Planning/Studies	100,000

Item		Amount
Provisions:		
1. Prior to expenditure of construction funds in category (16), San Quentin ranch dormitory replacement, the Director of Corrections shall submit to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the fiscal committee in each house, a report which identifies the work assignments for all inmates at San Quentin Prison including those inmates assigned to the minimum security ranch area, and those inmates available for work who are assigned to the maximum security portion of the prison.		
5240-311-724—For Capital Outlay, Department of Corrections, payable from the 1984 Prison Construction Fund		278,100,000
Schedule:		
(1) 61.07.004-California State Prison at Folsom—Minimum Security Support Services Complex—Construction	27,800,000	
(2) 61.02.002.001-California State Prison at Adelanto—Site Development—Construction	5,000,000	
(3) 61.02.002.002-California State Prison at Adelanto—Long Lead Items	4,000,000	
(4) 61.17.001-Avenal—3000 Bed Level I/II Facility—Site Development—Construction	12,500,000	
(5) 61.17.002-Avenal—3000 Bed Level I/II Facility—Long Lead Items	6,500,000	
(6) 61.01.008.001-Medium Facility #1, Los Angeles County—Total Facility—Working Drawings	3,500,000	
(7) 61.07.009-California State Prison at Folsom—Total Facility—Equipment	6,700,000	
(8) 61.01.021-California State Prison, Amador—1200 Bed Level I/II Facility—Total Facility—Equipment	3,800,000	
(9) 61.13.004-California Institution for Women—Special Housing Unit—Equipment	150,000	
California State Prison, Solano		
(10) 61.09.500-Construct facilities and offsite development/utilities for Level II/III facilities	41,530,000	
(11) 61.09.510-Equipment Level II/III facilities	7,500,000	

Item	Amount
Statewide:	
(12) 61.01.500-California State Prison, Amador—1,200 Level I/II bed facility-additional funding, offsite development and utilities, preliminary plans, working drawings, and construction	13,796,000
(13) 61.01.017-Conservation Camps-Construction/Maintenance equipment	6,424,000
(14) 61.01.008-Medium Facility No. 1-Los Angeles County-additional preliminary plans and working drawings	2,000,000
(15) 61.01.015-Northern California Women's Facility, San Joaquin County-Total Facility—Construction	24,500,000
California State Prison, Folsom	
(16) 61.07.004-Minimum security support services complex-working drawings	700,000
California State Prison, San Diego	
(17) 61.11.500-Level I support services complex and Level III facilities-construction	103,100,000
(18) 61.11 500-Level I support services complex and Level III facilities-equipment	8,600,000

Provisions:

1. The funds appropriated by category (11) of this item for equipment of the Level II/III facilities at the California Medical Facility, Vacaville may be used to reimburse the funds expended from Chapter 958, Statutes of 1983, for long lead items.
2. Funds appropriated in this item are subject to legislative review pursuant to Section 7003 of the Penal Code.
3. Notwithstanding any other provisions of law, the Department of Corrections may change the Adelanto prison site to another site in San Bernardino County recommended by the San Bernardino County Board of Supervisors.

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4. The funds (except those amounts for studies and master planning) appropriated in category (e) of Section 10 of Chapter 958, Statutes of 1983, or by any other law relating to the same project described therein, shall not be expended unless (1) the site selected for development of the prison is the site known as the Mule Creek site located north of Highway 104, (2) the City of Ione sewer and water systems are upgraded by the Department of Corrections to assure additional capacity for the City of Ione and (3) the Mule Creek site is annexed to the City of Ione.

5240-490—Reappropriation, Department of Corrections. Notwithstanding any other provisions of law, the unencumbered balances of the appropriations provided in the following citations are reappropriated, on the effective date of this act, for the purposes provided for in those appropriations and any additional purposes provided for in this section, and shall be available for expenditure until June 30, 1985:

723—New Prison Construction Fund

1. Item 5240-301-723 of the Budget Act of 1982:

(1) 61.02.002-Maximum security units and minimum security support service complex—Preliminary plans and working drawings.

California State Prison at Folsom:

(2) 61.07.004-Maximum security units and minimum security support service complex—Preliminary plans and working drawings.

California State Prison at San Diego:

(3) 61.11.002-Medium security units and minimum security support service complex—preliminary plans.

Medium Facility No. 1:

(9) 61.01.008-Land acquisition, EIR, initial studies, planning, master planning, and schematics.

Medium Facility No. 2:

(10) 61.01.010-Land acquisition, EIR, initial studies, planning, master planning, and schematics.

New Camps:

(14) 61.01.014-Land acquisition, EIR, initial studies, schematics, preliminary plans, working drawings, and construction.

California Institution for Women:

(15) 61.13.004-Special housing unit—EIR, initial

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studies, preliminary plans, working drawings, and construction.

2. Item 5240-311-723 of the Budget Act of 1982:
Unidentified Southern California Site:
(7) Maximum security units and minimum security support service complex—architectural programming, master planning, and schematics.

3. Item 5240-311-723 of the Budget Act of 1983:
California State Prison at Folsom:
(2) 61.07.004-Maximum security units A, B, and C—working drawings and construction.
California State Prison at Adelanto:
(4) 61.02.002-Maximum security units and minimum support service complex—Early site development and utilities—preliminary plans, working drawings, and construction.
(5) 61.02.003-Off-site development and utilities (Mojave Water)—preliminary plans, working drawings and construction.
(5.1) 61.02.004-Maximum security units working drawings.
California State Prison at San Diego:
(6) 61.11.002-Medium security units and minimum security support service complex—preliminary plans and working drawings.
(7) 61.11.003-Site development and utilities—preliminary plans, working drawings and construction.
(7.2) 61 11.005-Off-site development and utilities, preliminary plans working drawings, and construction.
Medium Security Facility No. 1, Los Angeles County:
(9) 61.01.008-Preliminary plans for total facility.
Medium Security Facility No. 2, Riverside County:
(10) 61.01.010-Preliminary plans and working drawings for total facility.
Northern California Women's Facility San Joaquin County:
(12) 61.01.015-Initial studies, EIR, programming, master planning, schematics and preliminary plans for total facility.

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5240-495—Reversion, Department of Corrections. Notwithstanding any other provision of law, as of June 30, 1984, the undisbursed balance in excess of unliquidated encumbrances, including any such balance in the Architectural Revolving Fund, of the appropriations provided in the following citations, shall revert to the unappropriated surplus of the fund from which the appropriation was made:

723—New Prison Construction Fund

(1) Item 5240-301-036, Budget Act of 1982, as amended by Chapter 10 of the 1983-84 First Extraordinary Session.

California Men's Colony:

(14) 61.10.002-Install emergency generator-East—Preliminary plans and working drawings.

(2) Item 5240-311-723 of the Budget Act of 1982:

(3) Item 5240-311-723 of the Budget Act of 1983:

Ione:

(3.1) 61.01.020-1200 Level I/II beds—site studies, EIR programming, schematics and preliminary plans.

5430-001-001—For support of Board of Corrections 365,000

Schedule:

(a) Program 11-Standards for Detention Facilities 365,000

(c) Program 31.01-Administration 94,000

(d) Program 31.02-Distributed Administration ..... −94,000

5430-001-170—For support of Board of Corrections, Program 21—Standards and Training for Local Officers payable from Corrections Training Fund 1,222,000

5430-001-725—For support of Board of Corrections, Program 11—Standards for Detention Facilities payable from County Jail Capital Expenditure Fund 498,000

5430-101-170—For local assistance, Board of Corrections, Program 21—Standards and Training for Local Officers payable from Corrections Training Fund 8,250,000

5430-101-725—For local assistance, Board of Corrections, Program 11—Standards for Detention Facilities payable from the County Jail Capital Expenditure Fund 252,310,662

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1. No funds appropriated by this item shall be allocated by the Board of Corrections from the County Jail Capital Expenditure Fund for any county jail construction unless AB 2357 and AB 3805 of the 1983–84 Regular Session are both chaptered.

5430-490—Reappropriation, Board of Corrections. Notwithstanding any other provisions of law, the unencumbered balances of the appropriation provided in the following citations are reappropriated, on the effective date of this act, for the purposes provided for in those appropriations and shall be available for expenditure until June 30, 1985.

933—County Jail Capital Expenditure Fund

(1) Item 5430-101-933, Budget Act of 1983—Local Assistance.

5440-001-001—For support of Board of Prison Terms, Program 10 6,324,000

5450-001-001—For support of Youthful Offender Parole Board, Program 10 2,334,000

5460-001-001—For support of Department of the Youth Authority 184,798,000

Schedule:

(a) 10-Prevention and Community Corrections	3,613,000
(b) 20-Institutions and Camps	166,863,000
(c) 30-Parole Services	25,797,000
(d) 50.01-Administration	11,475,000
(e) 50.02-Distributed Administration	−11,365,000
(f) Reimbursements	−11,585,000

Provisions:

1. The department shall implement and evaluate a urine testing pilot project within currently budgeted resources to validate the use of new drug testing technology for use as evidence in court.

5460-001-890—For support, Department of the Youth Authority, payable from the Federal Trust Fund.. 1,030,000

Schedule:

(a) 10-Prevention and Community Corrections	16,000
(b) 20-Institutions and Camps	998,000
(c) 30-Parole Services	16,000

5460-101-001—For local assistance, Department of the Youth Authority 66,773,000

Schedule:

10-Prevention and Community Corrections	(65,008,000)
(a) 10.20.010-Delinquency Prevention	2,196,000

Item	Amount
(b) 10.20.020-County Justice Subvention Program	62,812,000
(c) 20.30.010.000-Local Government, Transportation of Wards	95,000
(d) 30.20.070.000-Assistance to Counties for Detention of Youth Authority Parolees	414,000
(e) Special adjustment, County Justice Subvention Program	1,256,000

Provisions:

1. $2,196,000 is appropriated in Program 10.20.010 for contracting with public or private agencies engaged in prevention of delinquency, as authorized by Article 5.5 (commencing with Section 1790) of Chapter 1 of Division 2.5 of the Welfare and Institutions Code, Department of the Youth Authority.
2. $62,812,000 is appropriated for assistance to counties in the operation of programs pursuant to the County Justice System Subvention Program in accordance with Article 7 (commencing with Section 1805) of Chapter 1 of Division 2.5 of the Welfare and Institutions Code, Department of the Youth Authority. Notwithstanding any other provision of law, any county receiving funds from the County Justice System Subvention Program shall use those funds in the 1983–84 fiscal year for purposes specified in Section 1806 of the Welfare and Institutions Code.
3. $95,000 is appropriated in Program 20 for transportation of persons committed to Department of the Youth Authority to or between its facilities, including the return of parole violators; provided, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.
4. $414,000 is appropriated in Program 30 for reimbursement to counties for the cost of the detention of Youth Authority parolees, who are detained on alleged parole violations, pursuant to Section 1776 of the Welfare and Institutions Code, provided, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.
5. The Department of the Youth Authority shall select, on a competitive bid basis, the four new youth service bureaus authorized during the 1984–85 fiscal year.

Item		Amount
5460-301-036—For capital outlay, Department of the Youth Authority, payable from the Special Account for Capital Outlay		3,408,000
Schedule:		
(1) 60.03.040-Preston School of Industry-Industrial Water Line Assessment-Construction	115,000	
(2) 60.72.010-Rose Valley Camp-Renovation-Preliminary Plans and Working Drawings	211,000	
(3) 60.03.030-Preston School of Industry-Vocational Education Shops-Working Drawings and Construction	1,502,000	
(5) 60.40.010-Fred C. Nelles School-New Adjustment Center-Preliminary Plans and Working Drawings	134,000	
(7) 60.35.020-El Paso De Robles School-Construct New Maintenance Building—Preliminary Plans and Working Drawings	119,000	
(8) 60.90.090.020-Minor Projects	1,327,000	
Provisions:		
1. Funds in category (2) shall not be available for expenditure until a permit to operate the Rose Valley Camp is granted by the United States Forest Service.		

EDUCATION

6100-001-001—For support of Department of Education			27,346,000
Schedule:			
(a) 10-Instruction		6,964,000	
(1) 10-Total Instruction	9,085,000		
(2) Reimbursements	−2,121,000		
(b) 20-Instructional Support		10,086,000	
(1) 20-Total Instructional Support	10,404,000		
(2) Reimbursements	−318,000		
(c) 30-Special Programs		4,840,000	
(d) 41.00-Executive Management and Special Services		5,456,000	
(1) 41.00-Total Executive Management and Special Services	5,694,000		
(2) Reimbursements	−238,000		

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(e) 42.01-Department Management and Special Services 20,046,000

(f) 42.02-Distributed Department Management and Special Services—20,046,000

Provisions:

10-Instruction:

1. Notwithstanding Section 33403 of the Education Code, or any other provision of law, no funds appropriated pursuant to this act shall be used by the Department of Education to prepare evaluation reports on the following programs during the 1984–85 fiscal year:
   (a) Professional development and program improvement centers.
   (b) Indian education centers.
   (c) Alternative schools.
   (d) Bilingual teacher corps.
   (e) Demonstration programs in reading and mathematics.

20-Instructional Support:

1.5. $550,000 of the funds appropriated in this item shall be used only for the development and implementation of the 10th grade CAP test and shall be expended only upon the approval of the Director of Finance. None of these funds shall be used by the Department of Education for the development of a test format which permits the reporting of scores on an individual student basis.

30-Special Programs:

2. $883,000 of the funds appropriated in this item in lieu of the appropriation made by subdivision (b) of Section 41312, and in lieu of the apportionment of funds specified in Section 41353, of the Education Code, for the State administrative expenses related to the child nutrition program and nutrition education projects.

40-Department Management and Special Services:

3. $72,000 of the funds included in this item shall be utilized for California's participation in the Education Commission of the States.
4. $575,000 of the funds included in this item shall be available only for the state's defense costs in the Serrano litigation and shall be expended only upon the approval of the Director of Finance.

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5. $104,000 of the amount appropriated by this item is in lieu of the amount which would otherwise be provided pursuant to Sections 41304 and 41904 of the Education Code for the purpose of administering the driver training program specified in Item 6100-171-178.	
6. Prior to granting a contract for the purpose of Article 8 (commencing with Section 60700) of Chapter 5 of Part 33 of the Education Code, the Superintendent of Public Instruction shall appoint an independent panel composed of educational practitioners and persons with expertise in assessment procedures to review proposals and make recommendations regarding the Golden State Examination contract award. The Request for Proposals shall be so framed as both to permit and encourage alternative strategies for achieving the statutorily-defined objectives of the Golden State Examination.	
6100-001-140—For support of Department of Education Program 20.10—Curriculum Services payable from the California Environmental License Plate Fund	106,000
6100-001-178—For support of the Department of Education, Program 20—Instructional Support, for the purpose of conducting school bus driver instructor training as provided in Section 1204 of the California Administrative Code, payable from the Driver Training Penalty Assessment Fund	317,000
6100-001-305—For support of Department of Education, Program 30.30—Postsecondary Education, payable from the Private Postsecondary Education Administration Fund	719,000
Provisions:	
1. Funds provided by this item are for support of the Office of Private Postsecondary Education and the Private Postsecondary Education Council pursuant to Chapter 791, Statutes of 1981.	
6100-001-344—For support of Department of Education, Program 20—Instructional Support, payable from the State School Building Lease-Purchase Fund	596,000
6100-001-680—For support of Department of Education, for the California State Agency for Surplus Property, Program 30.50—Surplus Property, payable from the Surplus Property Revolving Fund	26,998,000

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Provisions:

1. Expenditures in excess of $10,400,000 may be made from the Surplus Property Revolving Fund for purposes of this item only if revenue is available from service and handling charges assessed by the Office of Surplus Property, and following notification to the Department of Finance and the Joint Legislative Budget Committee.

   Service and handling charges assessed to reimburse these additional expenditures shall not exceed, on average, $2.50 per unit of U.S. Department of Agriculture food donated, or, alternatively, an amount approved by the U.S. Department of Agriculture. The Office of Surplus Property may assess additional charges only as needed to reimburse the production costs of state processed donated foods.

6100-001-890—For support of Department of Education, payable from the Federal Trust Fund 37,829,000

Schedule:

(a) 10-Instruction	15,146,000
(b) 20-Instructional Support	10,107,000
(c) 30-Special Programs	11,719,000
(d) 41.00-Executive Management and Special Services	857,000

Provisions:

1. Of the funds appropriated in this item, $1,167,391 of the 1984–85 Federal Vocational Education Act funds shall be transferred to the community colleges by means of interagency agreements. These funds shall be used by the community colleges for the administration of vocational education programs.
2. In the event that legislation is enacted authorizing the transfer of authority for the Federal Emergency Food Distribution program from the Department of Education to another state agency or department, all funds appropriated in this item for the program shall be transferred from the Department of Education to the state agency or department specified, on the effective date of such legislation.

6100-006-001—For support of Department of Education as allocated by the Department of Education to the State Special Schools..... 33,871,000

Schedule:

(a) 10-Instruction	36,811,000
(b) Reimbursements	−2,940,000

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Provisions:

1. On or before January 15 of each year the Superintendent of each State Special School shall report to each district the estimated payment for the fiscal year pursuant to Education Code Section 59300. The State Controller shall withhold from the State School Fund in the first principal apportionment of that fiscal year the amount due from each school district as reported to the Controller by the Superintendent of Public Instruction. The amount withheld shall be transferred from the State School Fund to Item 6100-006-001 which supports the State Special Schools. The Superintendent of Public Instruction is authorized to adjust the estimated payments required after the close of the fiscal year by reporting to the State Controller the information needed to make the adjustment.
2. Notwithstanding Section 59300 of the Education Code, no district shall be required to pay any part of the cost of pupils attending a state-operated special school.

6100-007-001—For support of Department of Education as allocated by the Department of Education to the State Special Schools for student transportation allowances 503,000

Provisions:

1. Funds appropriated in this item are in lieu of funds which would otherwise be transferred from the General Fund to Section A of the State School Fund in accordance with provisions of Section 14007 and 41301.5 of the Education Code.

6100-011-001—For support of Department of Education, California State Library, Division of Libraries, and California Library Services Board 7,892,000

Schedule:

(a) 50-Library Services 7,905,000
(b) Reimbursements ..... −13,000

6100-011-890—For support of Department of Education, California State Library, Program 50—Library Services, payable from the Federal Trust Fund 1,593,000

6100-015-001—For support of Department of Education instructional materials warehousing and shipping costs, Program 20.20.020—Instructional Materials Management and Distribution 253,000

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Provisions:

1. Funds appropriated by this item are for transfer by the Controller, to the State Instructional Materials Fund, for allocation during the 1984–85 fiscal year, pursuant to Article 3 (commencing with Section 60240) of Chapter 2 of Part 33 of the Education Code. These funds shall be transferred to the State Instructional Materials Fund by the Controller in amounts claimed by the Department of Education, and the remaining balance, if any, shall be transferred to the State Instructional Materials Fund on June 30, 1985.
2. Funds appropriated by this item for the Instructional Materials Management and Distribution Program shall be transferred for direct disbursement by the Department of Education from the State Instructional Materials Fund.

6100-025-001—For support of Department of Education as allocated by the Department of Education to the Federation of California Minority Radio Stations for educational programming 1,000,000

Provisions:

1. The funds appropriated by this item shall be available for expenditure only to the extent that funds are needed to make a total of $1,000,000 available in this item and in Item 8290-001-001 for the purpose of providing grants to minority-operated public radio stations.

6100-101-001—For local assistance, Department of Education, for transfer to Section A of the State School Fund, Program 10.10—School Apportionments..... 6,182,596,000

Provisions:

1. Funds appropriated by this item are for transfer by the State Controller to Section A of the State School Fund, in lieu of the amount which would otherwise be appropriated for transfer from the General Fund in the State Treasury to Section A of the State School Fund for the 1984–85 fiscal year pursuant to Sections 14002, 14004, and 41301 of the Education Code, an amount as needed, in addition to sums accruing to Section A of the State School Fund from other sources for the purposes specified herein, for apportionment pursuant to Section 8153, Section 42238, Section 42239, Section 42240, Section 42240.1, Section 42241.7, Section 42243.7, Section 45023.4, Article 8 (commencing with Section 46200) of Chapter

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2 of Part 26, Article 11 (commencing with Section 49550) of Chapter 9 of Part 27, and Article 1 (commencing with Section 52300) of Chapter 9 of Part 28, of the Education Code.	
2. Notwithstanding any other provision of law to the contrary, the amounts appropriated in this Item and the amounts appropriated in Item 6100-226-001 for transfer to this Item shall be the maximum amount allocated for the purposes specified herein. The Superintendent of Public Instruction shall apportion funds appropriated in this item according to the following schedule:	
Schedule:	
(a) Program 10.10—School Apportionments, for the purposes of Section 42238 of the Education Code	5,647,083,000
(b) Program 10.10—School Apportionments, in addition to the amount scheduled in category (a) of this Provision, for the purposes of subdivision (f) of Section 42238 of the Education Code	13,423,000
(c) Program 10.10—School Apportionments, for Small School District Transportation Aid, for the purposes of Section 42240 and Section 42240.1 of the Education Code	18,569,000
(d) Program 10.10—School Apportionments, for Meals for Needy Pupils programs, for the purposes of Article 11 (commencing with Section 49550) of Chapter 9 of Part 27 of the Education Code	20,558,000
(e) Program 10.10—School Apportionments, for apprentice programs, for the purposes of Section 8153 of the Education Code	3,221,000
(f) Program 10.10—School Apportionments, for summer school programs, for the purposes of Section 42239 of the Education Code	18,532,000
(g) Program 10.10—School Apportionments, for the purpose of Section 45023.4 of the Education Code	24,800,000

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(h) Program 10.10—School Apportionments, for the purpose of Article 8 (commencing with Section 46200) of Chapter 2 of Part 26 of the Education Code	246,336,000
(i) Program 10.10—Instruction, for Regional Occupational Centers and Programs, for the purposes of Article 1 (commencing with Section 52300) of Chapter 9 of Part 28, of the Education Code, as specified in Provision 3 of this item	171,484,000
(j) Program 10.10—School Apportionments, to fund settlement agreements with Fullerton and Rowland School Districts pursuant to Provision 11 of this item	10,990,000
(k) Program 10.10—School Apportionments, for minimum revenue guarantees, as specified in Provision 13 of this item	7,600,000

3. Notwithstanding Section 41241.2 of the Education Code, the Superintendent of Public Instruction shall allocate the funds appropriated in category (d) of Provision 2 of this item, as augmented by transfers from Item 6100-226-001 of this Act, in the following manner:
   (a) Add to each school district's revenue limit computed pursuant to Section 42238 of the Education Code for the 1984–85 fiscal year the amount computed in the 1983–84 fiscal year for Meals for Needy Pupils programs (Article 11 (commencing with Section 49950) of Chapter 9 of Part 27) multiplied by 1.06 and as adjusted for pupil participation.
4. For the 1984–85 fiscal year, the Superintendent of Public Instruction shall allocate the funds appropriated in schedule (i) of Provision 2 of this item in the following manner:
   (a) The Superintendent of Public Instruction shall certify for apportionment to each ROC/P in the 1984–85 fiscal year an amount calculated as follows:
      (1) Multiply the ROC/P's 1982–83 base revenue limit per unit of average daily attendance determined pursuant to subdivisions (a) and (b) of Provision 4

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of Item 6100-101-001 of Chapter 326, Statutes of 1982, increased by 6 percent by the ROC/P's 1984–85 fiscal year annual average daily attendance that is equal to or less than the ROC/P's annual average daily attendance in the 1981–82 fiscal year.

(2) For annual average daily attendance in the 1984–85 fiscal year that is greater than the annual average daily attendance in the 1981–82 fiscal year, add to the amount certified pursuant to paragraph (1) of this subdivision an amount equal to the statewide average revenue limit per unit of average daily attendance determined pursuant to paragraph (2) of subdivision (c) of Provision 4 of Item 6100-101-001 of Chapter 326, Statutes of 1982 increased by 6 percent, multiplied by the difference in annual average daily attendance between the 1981–82 and 1984–85 fiscal years.

(b) If the amount claimed for apportionment to ROC/Ps is greater than the amount appropriated for such claims, the Superintendent of Public Instruction shall compute an allowable growth factor for each district, county office, or joint powers agency operating regional occupational centers and programs according to the following formula:

$$G = \left[\frac{(F \times 0.10 \times H) + (F \times 0.05 \times A)}{(H + A)} \times P \right] + (L \times P)$$

where:

(1) "G" is the allowable growth factor for the 1983–84 fiscal year.

(2) "H" is the 1981–82 fiscal year high school average daily attendance in the ROC/P.

(3) "A" is the 1981–82 fiscal year adult average daily attendance in the ROC/P.

(4) "F" is the difference between 1.0 and the quotient of subdivision (h) of Provision 4 of Item 6100-101-001 of the

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Budget Act of 1982, divided by the sum of paragraphs (2) and (3) of subdivision (g) of Provision 4 of that item.

(5) "L" is any average daily attendance allocated to the ROC/P in 1982–83 pursuant to subdivision (h) of Provision 4 of Item 6100-101-001 of the Budget Act of 1982.

(6) "P" is equal to 1.10 or such lesser number as may be determined by the Superintendent of Public Instruction after allocating the funds specified in subdivision (f) of this provision.

Any reduction in allocations shall apply only to the claims of districts, county offices, or joint powers agencies on account of average daily attendance in ROC/Ps in excess of the amount computed by the following formula: $(H + A) \times (1.0 + G)$ where the symbols are as defined above.

(c) The funds appropriated pursuant to category (i) of Provision 2 of this item shall be allocated by the Superintendent of Public Instruction to each school district or county office of education operating the ROC/P based on the school district's or county office of education's 1983–84 prorata share of the funds being allocated.

(d) Notwithstanding any other provision of law, the funds allocated pursuant to this provision from category (i) of Provision 2 of this item and funds provided in Schedule (a) (8) of Item 6100-226-001 of this act shall be the only funds allocated for the purpose of funding average daily attendance in ROC/Ps. A school district which is part of a joint powers ROC/P may claim average daily attendance in 1984–85 because of participation of pupils in an ROC/P only in accordance with this provision.

(e) An amount not to exceed $200,000 from the funds specified in schedule (i) of Provision 2 of this item shall be allocated by the Superintendent of Public Instruction to fund additional units of average daily attendance in ROC/Ps, at the rate specified for growth average daily attendance in paragraph (2) of subdivision (a) of this pro-

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vision, which experienced annexation of service territory not previously included in a ROC/P during 1982–83.

(f) For purposes of Section 2558 of the Education Code, the Superintendent of Public Instruction shall deduct from the funding entitlement of each ROC/P operated by a county office of education, as determined pursuant to Provision 4, any local revenue which would otherwise be deemed restricted and not available for expenditure in the current fiscal year pursuant to subdivision (d) of that section. The local revenue so deducted shall be utilized by the county office of education for support of the ROC/P. This subdivision is declaratory of existing law applicable during the 1982–83 fiscal year.

(h) Notwithstanding any other provision of law, from funds appropriated pursuant to schedule (i), the Superintendent of Public Instruction may allocate up to $581,000 for regional occupational centers and programs which have below average participation rates, as measured by the ratio of the units of average daily attendance in the regional occupational center or program to the units of average daily attendance in grades 9 to 12, inclusive, of the participating school districts, and which are located in areas which have unemployment rates in excess of 15 percent as most recently determined by the Department of Employment Development. The superintendent shall consider need in allocating the growth units of average daily attendance authorized by this provision, and shall utilize the rate per unit of average daily attendance prescribed by subparagraph (2) of paragraph (a) of Provision 4 of this item.

5. In the event of a deficiency in the appropriation made in schedule (a) of Provision 2 of this item, or in Item 6100-106-001, the Superintendent of Public Instruction may transfer funds between this item and Item 6100-106-001 with the approval of the Director of Finance. The Superintendent shall adjust the apportionments made from funds appropriated for the purposes specified in schedule (a) of Provision 2 of this item

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and in Item 6100-106-001 so that the deficit factor applied to the funding entitlements is the same for each of the programs funded by such appropriations.

6. Notwithstanding Section 8154 of the Education Code, or any other provision of law, the funds specified in schedule (e) of Provision 2 of this item and schedule (a) (4) of Item 6100-226-001 shall be the only funds available for the apprentice programs operated by K–12 school districts and county offices of education.
7. Notwithstanding Section 8152 of the Education Code, each 60-minute hour of teaching time devoted to each indentured apprentice enrolled in and attending classes of related and supplemental instruction as provided under Section 3074 of the Labor Code shall be reimbursed at the rate of $3.25 per hour. For purposes of this division, each hour of teaching time may include up to 10 minutes for passing time and breaks.
8. If the Department of Education submits to the Department of Finance a budget revision to reallocate funds among the categories in Provision 2 of this item, the Department of Finance shall approve or disapprove the budget revision within 10 working days of the date of submission.
9. For the purposes of computing school district revenue limits pursuant to Section 42238 of the Education Code for the 1984–85 fiscal year, in no event shall the base revenue limit per unit of average daily attendance for a school district computed pursuant to subdivision (b) of Section 42238 of the Education Code exceed the product of the revenue limit amount computed pursuant to Section 42238 in the prior fiscal year divided by the prior fiscal year revenue limit average daily attendance computed pursuant to Section 42238.5, times the sum of one plus twice the statewide average percentage cost-of-living adjustment provided for K–12 revenue limits in the 1984–85 fiscal year.
10. In the event that the 1985 May Revision reestimate of expenditures for K–12 school district apportionments indicates that the amount appropriated in this item exceeds the amount required to fully fund those apportionments, the Director of Finance shall notify the Joint Legislative Budget Committee of the estimated

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amount that may be reduced from the appropriation in this item, but not to exceed a reduction of $30,000,000. No sooner than 10 days after notification, the Director of Finance shall certify the amount to the Controller. The Controller shall, within 30 days of the receipt of the certification, revert from the appropriation provided in this item to the unappropriated surplus of the General Fund an amount as certified by the Director of Finance.

11. The funds provided in category (j) of Provision 2 of this item shall, at the direction of the Superintendent of Public Instruction, be paid by the Controller as follows:
    (a) An amount not to exceed $8,261,688 for purposes of the Settlement Agreement entered into on March 4, 1983, by and between Fullerton Union High School District and the Superintendent of Public Instruction of the State of California in connection with that action otherwise known as Fullerton Union High School District, et al. v. Wilson Riles, Superintendent of of Public Instruction, et al., Orange County Superior Court No. 33-46-93.
    (b) An amount not to exceed $2,727,539 for purposes of the Settlement Agreement entered into on March 4, 1983, by and between Rowland Unified School District and the Superintendent of Public Instruction of the State of California in connection with that action otherwise known as Rowland Unified School District, et al. v. Wilson Riles, Superintendent of Public Instruction, et al., Los Angeles County Superior Court No. C 323-905.
12. Notwithstanding any other provision of law to the contrary, the Superintendent of Public Instruction shall, in the 1984–85 fiscal year, reduce the amount of regular school apportionments provided each school district by the amount of funding, if any, which that school district receives pursuant to either of the following: (1) the Settlement Agreement entered into on March 4, 1983, by and between the Fullerton Union High School District and the State Department of Education of the State of California, the Superintendent of Public Instruc-

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tion of the State of California, and the Local Assistance Bureau in connection with that action otherwise known as Fullerton Union High School District, et al., v. Wilson Riles, Superintendent of Public Instruction, et al., Orange County Superior Court No. 33-46-93; or (2) the Settlement Agreement entered into on March 4, 1983, by and between the Rowland Unified School District and the State Department of Education of the State of California, the Superintendent of Public Instruction of the State of California, and the Local Assistance Bureau in connection with that action otherwise known as Rowland Unified School District, et al., v. Wilson Riles, Superintendent of Public Instruction, et al., Los Angeles Superior Court No. C 323-905.

13. The Superintendent of Public Instruction shall allocate the funds appropriated in category (k) by making the following computations for each school district:
    (a) For the 1983–84 fiscal year, the amount computed pursuant to subdivision (d) or (e), as appropriate, of Section 42238 of the Education Code, plus the amounts computed pursuant to subdivisions (f) and (g) of Section 42238 of the Education Code as it read in the 1983–84 fiscal year.
    (b) For the 1984–85 fiscal year, the amount computed pursuant to subdivision (c) or (d), as appropriate, of Section 42238 of the Education Code utilizing the inflation adjustment prescribed by Section 42238.1 of the Education Code, plus the amount computed pursuant to subdivision (f) of Section 42238 of the Education Code.
    (c) Subtract the amount determined in paragraph (b) from the amount determined in paragraph (a). If the amount is greater than zero, except as provided in paragraph (d), the Superintendent of Public Instruction shall add the amount to the school district revenue limit.
    (d) In no event shall the amount added to the school district's revenue limit pursuant to paragraph (c) allow any district to receive an amount per unit of average daily attendance which exceeds 1.5 times the

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statewide average revenue limit per unit of average daily attendance for that type of district.		
6100-101-890—For local assistance, Department of Education, Federal Block Grant payable from the Federal Trust Fund		35,718,000
Schedule:		
(a) 10-Instruction	33,637,000	
(b) 20-Instructional support	2,081,000	
(c) 41-Executive management and special services	30,000	
(d) Reimbursements	−30,000	
Provisions:		
1. $200,000 of the funds appropriated by this item shall be allocated as a grant by the Superintendent of Public Instruction to a private, nonprofit foundation for the purpose of conducting a program on youth and the administration of justice in at least 15 school districts. These funds shall be allocated in four equal installments during the 1984–85 fiscal year on September 1, December 1, February 1, and May 1.		
2. $240,000 of the funds appropriated by this item shall be allocated as a grant by the Superintendent of Public Instruction to the Los Angeles, Santa Clara, and Butte Counties Offices of Education ($80,000 each) for purposes of supporting the state's 3 Centers for Educational Improvement during the 1984–85 fiscal year.		
3. $155,000 of the funds appropriated by this item shall be allocated as a grant by the Superintendent of Public Instruction to the Orange County Office of Education for the purpose of supporting that county's exemplary programs during the 1984–85 fiscal year.		
6100-101-945—For local assistance, Department of Education, Program 30.20—Child Nutrition, payable from the State Child Nutrition Fund		26,803,000
6100-106-001—For local assistance, Department of Education for transer to Section A of the State School Fund, for the purposes of Sections 1909, 2553.5, and 2558 of the Education Code, Program 10.10—School Apportionments		70,891,000

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Provision:

1. Notwithstanding any provision of law to the contrary, the funds appropriated by this item are for transfer by the State Controller to Section A of the State School Fund, in lieu of the amount which would otherwise be appropriated for transfer from the General Fund in the State Treasury to Section A of the State School Fund for the 1984–85 fiscal year pursuant to Sections 14002 and 14004 of the Education Code, an amount as needed for apportionment pursuant to Article 3 (commencing with Section 2550) of Chapter 12 of Part 2, of the Education Code, excluding amounts for Regional Occupational Centers and Programs and Apprentice Programs operated by County Superintendents of Schools.
2. In the event of a deficiency in the appropriation made in schedule (a) of provision 2 of Item 6100-101-001, or in this item, the Superintendent of Public Instruction may transfer funds between Item 6100-101-001 and this item with the approval of the Director of Finance. The superintendent shall adjust the apportionments made from funds appropriated for the purposes specified in schedule (a) of provision 2 of Item 6100-101-001 and in this item, so that the deficit factor applied to the funding entitlements is the same for each of the programs funded by these appropriations.
3. Notwithstanding any other provision of law to the contrary, the amounts appropriated in this Item and in subschedule (a) (7) of Item 6100-226-001 shall be the maximum amount allocated for the purposes of Article 3 (commencing with Section 2550) of Chapter 12 of Part 2 of the Education Code.

6100-107-001—For local assistance, Department of Education, Program 20.70.040—Education Improvement Incentive Program for purposes of Article 2.5 (commencing with Section 54650) of Chapter 9 of Part 29 of the Education Code 15,000,000

Provision:

1. Notwithstanding any other provision of law to the contrary, the amounts appropriated in this item shall be the maximum amount allocated for the purposes of Article 2.5 (commencing with Section 54650) of Chapter 9 of Part 29 of the

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Education Code.	
6100-109-001—For local assistance, Department of Education, Program 20.60.020—Tenth Grade Counseling Program, for the purposes of Section 48431.7 of the Education Code	6,724,000

Provisions:

1. Notwithstanding any other provision of law to the contrary, the amounts appropriated in this Item shall be the maximum amount allocated for the purposes of Section 48431.7 of the Education Code.
2. Of the funds appropriated by this item, $124,000 shall be available for allocation to the California Career Center. These funds shall not be available for expenditure unless an equal amount in matching funds is obtained for this program on or before June 30, 1985. The match may include in-kind support and revenues of the California Career Center.

   If less than $124,000 in matching funds is obtained, the amount allocated for this program shall be reduced to the amount of matching funds provided. Upon certification by the California Career Center of available matching funds, the Superintendent of Public Instruction shall allocate the amount specified.

6100-111-001—For local assistance, Department of Education, for transfer to Section A of the State School Fund, Program 10.10—School Apportionments	242,181,000

1. Notwithstanding any provision of law to the contrary, the funds appropriated by this item are for transfer by the State Controller to Section A of the State School Fund, in lieu of the amount which would otherwise be appropriated for transfer from the General Fund in the State Treasury to Section A of the State School Fund for the 1984–85 fiscal year pursuant to Sections 14002 and 14004 of the Education Code, an amount as needed for apportionment pursuant to Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 and Article 4.5 (commencing with Section 42290) of Chapter 7 of Part 24 of the Education Code.
2. The Superintendent of Public Instruction shall apportion funds appropriated in this item according to the following schedule:

Schedule:

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(a) Program 10.10-School Apportionments, for the purposes of Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 of the Education Code 239,181,000

(b) Program 10.10-School Apportionments, for the purposes of Article 4.5 (commencing with Section 42290) of Chapter 7 of Part 24 of the Education Code 3,000,000

3. Notwithstanding any provision of law to the contrary, the funds provided in category (a) of provision 2 of this item and in subschedule (a) (6) of Item 6100-226-001 shall be the only funds provided for the purposes of Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 of the Education Code, and shall be apportioned to school districts and county superintendents of schools pursuant to Section 41851 of the Education Code.

4. Notwithstanding any other provision of law to the contrary, the amount appropriated in category (b) of provision 2 of this item shall be the maximum amount allocated for the purposes of Article 4.5 (commencing with Section 42290) of Chapter 7 of Part 24 of the Education Code.

6. Home-to-home transportation shall include transportation to and from related student services required by the individualized education programs for pupils with exceptional needs.

6100-114-001—For local assistance, Department of Education, for transfer to the State Controller, for reimbursement of claims received pursuant to Section 42243.6 of the Education Code, Program 10.10—School Apportionments 154,416,000

Provisions:

1. Funds appropriated by this item are for reimbursement of amounts necessary to pay costs of integration programs in districts initially mandated by the courts, as defined in Section 2205 of the Revenue and Taxation Code pursuant to any final court order issued after January 1, 1978.

2. The State Controller shall allocate funds appropriated in this item in accordance with the provisions of Section 42243.6. Pursuant to the provisions of Section 42243.8 of the Education Code, the State Controller shall reimburse claims, including claims for prior-year costs, re-

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ceived pursuant to Section 42243.6 of the Education Code only from funds appropriated specifically for that purpose by the Legislature. Any amount of claims in excess of the appropriation may be referred to the State Board of Control for review and possible inclusion in a subsequent claims bill.

3. The State Controller shall forward to the Board of Control any claims received pursuant to Section 42243.6 of the Education Code for reimbursement of the costs of mandated activities not previously funded through a Budget Act appropriation or Board of Control claims bill. The Board of Control, upon receipt of such claims shall review all such claims to determine whether (1) a court, Federal, or initiative-enacted mandate exists, and (2) the costs are reasonable and necessary to satisfy the mandate. Based on its review the Board shall include in an omnibus claims bill an amount for reimbursement of reasonable and necessary costs.

6100-116-001—For local assistance, Department of Education, Program 20.60.030—School Improvement Program 182,757,000

Provisions:

1. Funds appropriated by this item are for transfer by the Controller to Section A of the State School Fund for direct disbursement by the Department of Education in lieu of the appropriations made for the 1984–85 fiscal year pursuant to subdivisions (a) and (b) of Section 75 of Chapter 894 of the Statutes of 1977, for the purpose of making allowances for the School Improvement Program and notwithstanding the third paragraph of Section 87 of Chapter 894 of the Statutes of 1977, and pursuant to Article 4 (commencing with Section 52046) of Chapter 6 of Part 28 of the Education Code according to the following schedule:

(a) 20.60.030.010—For the purpose of making allowances for kindergarten and grades 1 to 6, inclusive.... 155,305,000

(b) 20.60.030.020—For the purpose of making allowances for grades 7 to 12, inclusive..... 27,452,000

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2. The Department of Education shall allocate the funds scheduled above to each district eligible to receive an allowance on the basis of the per unit of average daily attendance amounts specified in subdivision (b) of Section 52046 of the Education Code, adjusted on a pro rata basis to conform to the amounts scheduled above.
3. The Department of Education may make adjustments in the above schedule. Such adjustments shall be reported to the Department of Finance and the Joint Legislative Budget Committee.
4. The Department of Education shall promote the legislative intent for equalized funding, as specified in Section 52048 of the Education Code, for kindergarten and grades 1 through 6 in the allocation of funds scheduled above.
5. Notwithstanding any other provision of law to the contrary, the amounts appropriated in this Item and in subschedule (n) of Item 6100-226-001 shall be the maximum amount allocated for the purposes of Chapter 6 (commencing with Section 52000) of Part 28 of Division 4 of the Education Code.

6100-118-001—For local assistance, Department of Education, Program 10.70—Vocational Education in lieu of the amount which would otherwise be appropriated pursuant to subdivision (b) of Section 19632 of the Business and Professions Code..... 500,000

6100-119-001—For local assistance, Department of Education, for the purposes of Article 2.3 of Part 27 (commencing with Section 48643) and Chapter 6 (commencing with Section 58800) of Part 31 of the Education Code and Section 903.7 of the Welfare and Institutions Code, to be allocated according to the following schedule:

Program 20.40-Supplementary Program Services.. 6,885,000

Schedule:

(a) 20.40.060-Foster Youth Services....	759,000
(b) 20.40.070-Opportunity Classes and Programs	4,126,000
(c) 20.40.090-Specialized Secondary Programs	2,000,000

Provisions:

1. Notwithstanding any other provision of law to the contrary, the amount appropriated in category (b) shall be the maximum amount allocated for the purposes of Article 2.3 of Part 27 (commencing with Section 48643) of the Educa-

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tion Code.

2. Notwithstanding any other provision of law to the contrary, the amount appropriated in category (c) shall be the maximum amount allocated for the purposes of Chapter 6 (commencing with Section 58800) of Part 31 of the Education Code.
3. Notwithstanding Section 48644 of the Education Code, funds allocated to school districts for the expansion of opportunity classes and programs shall not exceed $400 per unit of average daily attendance (ADA), based on the additional enrollment in these classes and programs above the 1982-83 enrollment levels, expressed in terms of ADA.

6100-121-001—For local assistance, Department of Education, Program 10.30.070 Economic Impact Aid .. 182,041,000

Provisions:

1. Funds appropriated by this item for the Economic Impact Aid Program are for transfer by the State Controller to Section A of the State School Fund for direct disbursement by the Department of Education, for the purposes of the Economic Impact Aid Program, pursuant to Chapter 1 (commencing with Section 54000) of Part 29 of the Education Code. $16,575,347 of the funds in excess of $165,465,609 shall be allocated by the Superintendent of Public Instruction, pursuant to Section 54041 of the Education Code, to a limited number of districts with high concentrations of limited- and non-English-speaking pupils and other Economic Impact Aid pupils that receive insufficient funds through the Economic Impact Aid formula. The dollar amounts specified in the immediately preceding sentence shall be adjusted appropriately to reflect any additional funding provided in Item 6100-226-001 for a cost-of-living adjustment. No district receiving funds from the Economic Impact Aid Program shall be allocated less than $5,000, adjusted annually and cumulatively from 1980-81 by the same percentage adjustment for cost-of-living as the Economic Impact Aid Program received.

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2. From funds appropriated by this item, the State Department of Education may pay to the United States Department of Education an amount up to $2,500,000, in settlement of the final audit determination identified as ACN 00002-09, Education Appeal Board Case No. 2-(57)-80. The State Department of Education shall reduce the local assistance amount otherwise to be provided pursuant to this item to the school districts identified in the audit by multiplying the settlement amount paid by the ratio that the amount of the final audit determination relating to each district bears to the total amount of the final audit determination. The amount which is repaid to the state under the provisions of Section 456 of the General Education Provisions Act (20 U.S.C. 1234e) shall be apportioned to those districts in the same ratio, and shall be expended by the districts in accordance with the settlement agreement entered into between the State Department of Education and the United States Department of Education in Education Appeal Board Case No. 2-(57)-80.

6100-124-001—For local assistance, Department of Education, Program 10.80.010—Gifted and Talented, for the purposes of Chapter 8 (commencing with Section 52200) of Part 28 of the Education Code.. 17,848,000

Provisions:

1. Funds appropriated by this item are for transfer by the Controller to Section A of the State School Fund, in lieu of the amount which would otherwise be appropriated for the 1984–85 fiscal year pursuant to Section 14002 of the Education Code.

6100-126-001—For local assistance, Department of Education, Program 20.10.035—Miller-Unruh Reading Program 17,153,000

Provisions:

1. Funds appropriated by this item are for the Special Elementary School Reading Instruction Program pursuant to Chapter 2 (commencing with Section 54100) of Part 29 of the Education Code.

6100-131-001—For local assistance, Department of Education, Program 10.30.051—Native American Indian Education 337,000

6100-136-890—For local assistance, Department of Education, Program 10.30.060—Chapter I-ECIA—payable from the Federal Trust Fund 323,415,000

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6100-141-890—For local assistance, Department of Education, Program 10.30.010—ECIA Chapter I–Migrant Education, payable from the Federal Trust Fund 73,651,000

Provisions:

1. All school districts, county offices of education, and community college districts shall, upon request, make facilities available, at cost (including, but not limited to, the pro rata cost of janitorial services and other maintenance activities, utilities, and security services, as well as the cost of making any special repairs directly attributable to the migrant summer school programs), and, if available, facilities suitable for the summer climate for the operation of migrant summer school programs. The Superintendent may allow neighboring districts jointly to offer facilities if he determines that the use of one district's facilities for an area will adequately meet the needs of the migrant summer school program for the entire area. If the Superintendent of Public Instruction determines that requests from legitimate prospective users of such facilities were denied without due cause, the superintendent shall assess a penalty of one thousand dollars ($1,000). The penalty amount shall be returned to Section A of the State School Fund.
2. The Department of Education may use up to $120,000 of the funds appropriated by this item to contract for a study of the socioeconomic status, migration patterns, and educational needs of the state's migrant farm workers. No contract may be entered into without the prior review of the Legislative Analyst and the approval of the Department of Finance.

6100-146-001—For local assistance, Department of Education, Program 10.30.040—Demonstration Programs in Reading and Mathematics 3,771,000

Provisions:

1. Funds appropriated by this item are for demonstration programs in reading and mathematics pursuant to Chapter 4 (commencing with Section 58600) of Part 31 of the Education Code.

6100-151-001—For local assistance, Department of Education, Program 10.30.050—American Indian Education Centers 795,000

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Provisions:

1. Funds appropriated by this item for Indian Education Centers are limited to carrying out the provisions of Article 6 (commencing with Section 33380) of Chapter 3 of Part 20 of Division 2 of Title 2 of the Education Code.

6100-156-001—For local assistance, Department of Education 166,385,000

Schedule.

(a) 10.50 Adult Education 166,476,000

(b) Reimbursements ..... −91,000

Provisions:

1. $166,385,000 of the funds appropriated by this item in category (a) are in lieu of the amounts which would otherwise be appropriated for transfer from the General Fund in the State Treasury to Section A of the State School Fund for the 1984–85 fiscal year pursuant to Sections 14002, 14004 and 41301 of the Education Code, and are for transfer to Section A of the State School Fund, for the purposes of Section 52616 of the Education Code.

2. Notwithstanding Section 52616 of the Education Code, the average daily attendance used in computing each district's 1984–85 block entitlement shall be the lesser of 105 percent of the district's 1981–82 adult block entitlement average daily attendance computed pursuant to paragraph (1) of subdivision (b) of Section 52616 of the Education Code, excluding average daily attendance in regional occupational centers and programs, or the district's reported 1984–85 annual adult average daily attendance, excluding average daily attendance in regional occupational centers and programs.

5. Notwithstanding any other provision of law to the contrary, the amounts appropriated in subschedule (a) of this Item and in subschedule (f) (1) of Item 6100-226-001 shall be the maximum amount allocated for the purposes of Section 52616 of the Education Code.

6100-156-890—For local assistance, Department of Education, Program 10.50—Adult Education, payable from the Federal Trust Fund..... 9,288,000

6100-158-001—For local assistance, Department of Education, for transfer to Section A of the State School Fund in lieu of the amount which would otherwise be appropriated pursuant to Section 41841.5 of the Education Code—Adults in Correctional Facilities 1,271,000

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6100-161-001—For local assistance, Department of Education, Program 10.60—Special Education Programs for Exceptional Children 801,217,000

Provisions:

1. Funds appropriated by this item are for transfer by the State Controller to Section A of the State School Fund, in lieu of the amount which would otherwise be appropriated for transfer from the General Fund in the State Treasury to Section A of the State School Fund for the 1984–85 fiscal year pursuant to Sections 14002 and 41301 of the Education Code, for apportionment pursuant to Part 30 of the Education Code, superseding all prior law.
2. No more than $350,000 of the funds appropriated by this item may be used for in-service training for special education teachers.
3. Funds included for the purposes of Article 9 (commencing with Section 56780) of Chapter 7 of Part 30 of the Education Code shall not exceed $27,218,000.
4. Of the amount appropriated in this item, $33,000,000 shall be available for apportionment at a rate of $560 per pupil with a "low incidence disability" as defined by Section 56026.5 of the Education Code.
5. Of the amount appropriated in this item, $10,000,000 shall be available for program growth pursuant to Section 56728.6 of the Education Code. The funds allocated pursuant to this provision shall be the only funds available in this item for program growth.
6. Of the amount appropriated in this item, $12,000,000 shall be available for expansion of handicapped infant programs conducted pursuant to Chapter 4.4 (commencing with Section 56425) of Part 30 of the Education Code.
7. Of the amount appropriated in this item, $24,300,000 shall be available for the following purposes:
   (a) Funding instructional aides pursuant to Section 56728 of the Education Code, notwithstanding the 0.85 factor specified in that section.
   (b) Providing an increase of 5 percent in the number of instructional aides authorized for special classes pursuant to Section 56760 of the Education Code.

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(c) Providing instructional aides for resource specialists pursuant to Section 56362 of the Education Code.

8. Notwithstanding Section 56754 of the Education Code, $33,500,000 of the appropriation in this item shall be available for replacement of 20 percent of the local general fund contribution required by Section 56754.

9. Of the amount appropriated in this item, $5,200,000 shall be available for funding an increase in the support service ratios pursuant to subdivision (c) of Section 56737 of the Education Code. The increases shall be provided by increasing the support service ratios to the lesser of the statewide average or 125 percent of the district's prior support service ratio.

10. Notwithstanding Section 56722 of the Education Code, the Superintendent of Public Instruction shall adjust the unit rates specified in that section to permit the allocation of funds prescribed by provisions 4 to 9, inclusive.

6100-161-890—For local assistance, Department of Education, payable from the Federal Trust Fund, Program 10.60—Special Education Programs for Exceptional Children 89,522,000

Provisions:

1. The amount appropriated in this item shall be allocated in accordance with the following schedule:

(a) 10.60.050.010-PL 94-142, local entitlements	74,991,000
(b) 10.60.050.020-PL 94-142, direct and indirect instructional services approved in the state plan	10,440,000
(c) 10.60.050.030-Pre-School Incentive Grant Program	2,400,000
(d) 10.60.030.000-EHA, Title VI-C, Deaf-Blind Center	1,485,000
(e) 10.60.050.040-EHA, Title VI-D, Handicapped Personnel Preparation Grants	206,000

2. If the funds for Part B of the Education for All Handicapped Act, exclusive of the Pre-School Incentive Grant, which are actually received by the State exceed $90,177,000, at least 75 percent of the funds received in excess of $90,177,000 shall be allocated for local entitlements. Of the remaining funds received in excess of $90,177,-

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000 not allocated for local entitlements, an amount not to exceed $2,350,000 shall be used for the following prioritized purposes:

(a) Instructional personnel service units for local education agencies which have experienced growth in Licensed Children Institutions population since 1981–82 1,000,000

(b) Infant programs pursuant to Section 56425 of the Education Code 1,000,000

(c) Operation of programs for handicapped pupils in Santa Clara County at the Tympany Center .. 350,000

6100-166-001—For local assistance, Department of Education, for the purpose of the Federal Job Training Partnership Act of 1982 ..... - 0 -

Schedule:

(a) 10.70 Vocational Education 13,325,000

(b) Reimbursements ..... –13,325,000

6100-166-890—For local assistance, Department of Education, Program 10.70—Vocational Education, payable from the Federal Trust Fund 58,048,000

Provisions:

1. Of the funds appropriated in this item, $26,295,-477 of the 1984–85 Federal Vocational Education Act funds shall be transferred to the community colleges by means of interagency agreements for the purpose of funding vocational education programs in community colleges.

6100-167-001—For local assistance, Department of Education, Program 10.70—Vocational Education, for the purpose of Article 7.5 (commencing with Section 52460) of Chapter 9 of Part 28 of Division 4 of the Education Code 3,000,000

Provisions:

1. Of the amount appropriated in this item, $130,-000 shall be available for Project Life Labs.

6100-171-178—For local assistance, Department of Education, Program 10.80.020—Driver Training, payable from the Driver Training Penalty Assessment Fund, for transfer to Section A of the State School Fund 19,500,000

Provisions:

1. Notwithstanding the provisions of Sections 41304, 41306, and Article 12 (commencing with Section 41900) of Chapter 5 of Part 24 of the Education Code, funding for driver training programs during 1984–85 shall be made exclu-

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sively from funds appropriated in this item. These funds shall be transferred by the State Controller to Section A of the State School Fund in amounts as needed by the Department of Education.

2. The Department of Education shall allocate these funds among all participating school districts, county offices of education, and the California Youth Authority in accordance with the provisions of Article 12 (commencing with Section 41900) of Chapter 5 of Part 24 of the Education Code.

6100-176-890—For local assistance, Department of Education, Program 10.40.030—Transition Program for Refugee Children payable from the Federal Trust Fund 5,565,000

6100-181-001—For local assistance, Department of Education, for Educational Technology, Program 20.10—Curriculum Services 30,250,000

Provisions:

1. In lieu of the amount that would be provided by Section 52484 of the Education Code, or any other provision of law to the contrary, an amount not to exceed $250,000 from the funds specified in this item, increased by the amount provided in Item 6100-226-001 for the Institute for Computer Technology, shall be available for funding average daily attendance of the Institute for Computer Technology in accordance with Article 8 (commencing with Section 52480) of Chapter 9 of Part 28 of the Education Code.

6100-181-140—For local assistance, Department of Education, Program 20.10—Curriculum Services, payable from the California Environmental License Plate Fund 394,000

Provisions:

1. Of the funds appropriated in this item, $40,000 shall be allocated to the Elizabeth Terwilliger Nature Foundation.

6100-186-001—For local assistance, Department of Education, Program 20.20.020—Instructional Materials Management and Distribution 58,967,000

Provisions:

1. Funds appropriated by this item are for transfer by the Controller, in lieu of the appropriation provided for in Section 60246 of the Education Code, to the State Instructional Materials Fund, for allocation during the 1984–85 fiscal year for

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the purchase of instructional materials for Kindergarten through grades 8, pursuant to Article 3 (commencing with Section 60240) of Chapter 2 of Part 33 of the Education Code. These funds shall be transferred to the State Instructional Materials Fund by the Controller in amounts claimed by the Department of Education, and the remaining balance, if any, shall be transferred to the State Instructional Materials Fund on June 30, 1985.

2. Funds appropriated by this item for the Instructional Materials Management and Distribution Program shall be transferred for direct disbursement by the Department of Education from the State Instructional Materials Fund.
3. Notwithstanding the provisions of Part 33 (commencing with Section 60000) of the Education Code, and pursuant to the August 27, 1981 decision of the California Supreme Court in California Teachers' Association vs. Riles, no part of the funds appropriated herein shall be used to provide instructional materials for nonpublic schools or students.
4. No pupil textbooks shall be adopted by the State Board of Education and no funds shall be available to finance contracts for textbooks in which the royalty amount exceeds 55 percent of the completed book bid, which is the total cost less sales tax less all freight. Royalty amounts payable shall be adjusted in subsequent years in conformance with the Consumer Price Index—All Items, of the Bureau of Labor Statistics of the United States Department of Labor, provided that such adjustment shall occur only when the completed book bid is revised, pursuant to Sections 60201 and 60223 of the Education Code.
5. Notwithstanding any other provision of law to the contrary, the amounts appropriated in this Item and in category (k) of Item 6100-226-001 shall be the maximum amount allocated for the purpose of Section 60246 of the Education Code.
6. Notwithstanding any other provision of law for the 1984–85 fiscal year, the cash allotments pursuant to paragraph (2) of subdivision (a) of Section 60242 of the Education Code, the allowances pursuant to subdivision (b) of Section 60242 of the Education Code, and the apportionments pursuant to Section 60247 of the

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Education Code, as added by Chapter 498 of the Statutes of 1983, shall be made in full in the form of single payments to eligible school districts not later than September 15, 1984.

6100-187-001—For local assistance, Department of Education, Program 20.20.020—Instructional Materials Management and Distribution 18,381,000

Provisions:

1. Funds appropriated by this item are for transfer by the Controller to the State Instructional Materials Fund, for allocation during the 1984–85 fiscal year for the purchase of instructional materials for grades 9 through 12, pursuant to Sections 60247 through 60249, inclusive, of the Education Code. These funds shall be transferred to the State Instructional Materials Fund by the Controller in amounts claimed by the Department of Education, and the remaining balance, if any, shall be transferred to the State Instructional Materials Fund on June 30, 1985.
2. Funds appropriated by this item for the Instructional Materials Management and Distribution Program shall be transferred for direct disbursement by the Department of Education from the State Instructional Materials Fund.
3. Notwithstanding the provisions of Part 33 (commencing with Section 60000) of the Education Code, and pursuant to the August 27, 1981 decision of the California Supreme Court in California Teachers' Association vs. Riles, no part of the funds appropriated herein shall be used to provide instructional materials for nonpublic schools or students.
4. No pupil textbooks shall be adopted by the State Board of Education and no funds shall be available to finance contracts for textbooks for which the royalty amount exceeds 55 percent of the completed book bid, which is the total cost less sales tax less all freight. Royalty amounts payable shall be adjusted in subsequent years in conformance with the Consumer Price Index—All Items, of the Bureau of Labor Statistics of the United States Department of Labor, provided that such adjustment shall occur only when the completed book bid is revised, pursuant to Sections 60201 and 60223 of the Education Code.

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5. Notwithstanding any other provision of law to the contrary, the amounts appropriated in this Item and in subschedule (*l*) of Item 6100-226-001 shall be the maximum amount allocated for the purpose of Section 60247 of the Education Code.
6. Notwithstanding any other provision of law, the cash allotments made pursuant to paragraph (2) of subdivision (a) of Section 60242 of the Education Code, the allowances made pursuant to subdivision (b) of Section 60242 of the Education Code, and the apportionments made pursuant to Section 60247 of the Education Code shall be made in full in the form of single payments to eligible school districts not later than September 15, 1984.

6100-191-001—For local assistance, Department of Education, Program 20.60—Staff Development 69,329,000

Provisions:

1. Funds appropriated by this item are for transfer by the Controller to Section A of the State School Fund, for direct disbursement by the Department of Education, in lieu of the amount which would otherwise be appropriated for staff development pursuant to subdivision (a) of Section 74 of Chapter 894 of the Statutes of 1977. Funds appropriated in this item are for the purpose of making allowances pursuant to Article 1 (commencing with Section 44670) and Chapter 3.1 of Part 25, Article 10 (commencing with Section 44630) of Chapter 3 of Part 25, Article 4 (commencing with Section 52180) of Chapter 7 of Part 28 of the Education Code, Article 3 (commencing with Section 44681) of Chapter 3.1 of Part 25 of the Education Code, Chapter 3.15 (commencing with Section 44689.5) of Part 25 of the Education Code, Chapter 3.4 (commencing with Section 44750) of Part 25 of the Education Code, Article 4 (commencing with Section 44490 of Chapter 3 of Part 25 of the Education Code, Chapter 3.3 (commencing with Section 44700) of Part 25 of the Education Code, and Article 2 (commencing with Section 44680) of Chapter 3.1 of Part 25 of the Education Code, according to the following schedule:

(a) 20.60.010-Administrator Training and Evaluation Program 2,000,000
(b) 20.60.010-Pilot Projects for Administrative Personnel 250,000

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(c) 20.60.010-Pilot Projects to Strengthen Personnel & Management	250,000
(d) 20.60.050-Mentor Teacher Program	30,800,000
(e) 20.60.060-School Personnel Staff Development	3,369,000
(f) 20.60.060-Teacher Instructional Improvement Grants	17,100,000
(g) 20.60.070-Bilingual Teacher Training	779,000
(h) 20.60.090-Teacher Education and Computer Centers	11,781,000
(i) 20.60.050-Summer School Teacher Training	3,000,000

1. Notwithstanding any other provision of law to the contrary, the amount appropriated in subschedule (a) of this Item shall be the maximum amount allocated for the purposes of Article 3 (commencing with Section 44681) of Chapter 3.1 of Part 25 of the Education Code.
2. Notwithstanding any other provision of law to the contrary, the amount appropriated in subschedule (b) of this Item shall be the maximum amount allocated for the purposes of Chapter 3.15 (commencing with Section 44689.5) of Part 25 of the Education Code.
3. Notwithstanding any other provision of law to the contrary, the amount appropriated in subschedule (c) of this Item shall be the maximum amount allocated for the purposes of Chapter 3.4 (commencing with Section 44750) of Part 25 of the Education Code.
4. Notwithstanding any other provision of law to the contrary, the amount appropriated in subschedule (d) of this Item shall be the maximum amount allocated for the purposes of Article 4 (commencing with Section 44490) of Chapter 3 of Part 25 of the Education Code.
5. Notwithstanding any other provision of law to the contrary, the amount appropriated in subschedule (f) of this Item shall be the maximum amount allocated for the purposes of Chapter 3.3 (commencing with Section 44700) of Part 25 of the Education Code.

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6. Notwithstanding any other provision of law to the contrary, the amount appropriated in subschedule (h) of this Item shall be the maximum amount allocated for the purposes of Article 2 (commencing with Section 44680) of Chapter 3.1 of Part 25 of the Education Code.
7. Funds appropriated in subschedules e and f of this item for staff development activities shall aid teachers and site administrators across the curriculum, including support for science, mathematics, computer education, reading, writing, the humanities, and the arts. Funding proposals developed by Teacher Education Centers and local school site councils shall specify what varieties of curriculum areas, teachers and site administrators will be assisted. Curriculum-wide staff development in areas other than mathematics and science skills shall be supported in each of 15 regions by funds appropriated in this item.

6100-192-001—For local assistance, Department of Education Program 20.60.100—Mathematics, Engineering, and Science Achievement (MESA) 1,751,000

Provisions:

1. The funds appropriated by this item shall not be available for expenditure unless $675,500 in matching funds are obtained for this program on or before June 30, 1985.

   If less than $675,000 in matching funds are obtained, then the amount allocated for this program shall be reduced to the amount of matching funds provided. The reduction shall be applied pro rata. Upon certification by the program of available matching funds, the Superintendent of Public Instruction shall transfer the amount specified to the Mathematics, Engineering Science Achievement Program.

6100-196-001—For local assistance, Department of Education 265,209,000

Schedule:

(a)	30.10.010-Preschool	32,661,000
(b)	30.10.020-Child Care Services.....	239,268,000
(c)	Reimbursements	−6,970,000
(d)	Child Care Quality Development	250,000

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Provisions:

1. Funds appropriated by this item, in category (a), are for apportionment to school districts and other eligible agencies maintaining preschool programs pursuant to Article 7, Chapter 2 (commencing with Section 8235) of Part 6 of the Education Code. Cost-of-living increases provided for in category (p) of Item 6100-226-001 for preschool programs shall be distributed on a pro rata basis except as otherwise provided in that item.
2. Funds appropriated by this item in category (b) and $1,957,000 appropriated from the Federal Trust Fund, Item 6100-196-890, are for child development programs, for allocation to school districts and other eligible agencies maintaining children's centers and child care programs pursuant to Chapter 2 (commencing with Section 8200) of Part 6 of the Education Code according to the following schedule:

(a) 30.10.020.001-General child development programs	187,718,000
(b) 30.10.020.002-Campus children's centers	5,538,000
(c) 30.10.020.003-High-school-age parenting and infant development	4,625,000
(d) 30.10.020.004-Migrant day care	5,996,000
(e) 30.10.020.005-Special allowances for rent	388,000
(f) 30.10.020.006-Special allowances for handicapped	651,000
(g) 30.10.020.007-Alternative payment program	17,585,000
(h) 30.10.020.008-Resource and referral	5,111,000
(i) 30.10.020.009-Campus child care tax bailout	3,686,000
(j) 30.10.020.010-Protective services	1,000,000

Funds scheduled in category (a) of this provision for county child care services shall be allocated subject to the requirements of Education Code Section 8279.

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3. Funds appropriated in Item 6100-226-001, category (q) for cost-of-living increases for child development programs shall be distributed on a pro rata basis among categories (a) through (i) inclusive, of provision 2 except as otherwise provided in Item 6100-226-001.
4. Community college districts which levied child development permissive override taxes pursuant to Sections 8329 and 8330 of the Education Code in the 1977–78 fiscal year and received fiscal relief through Chapter 282 of the Statutes of 1979 shall not receive reimbursement for child care services from the superintendent in excess of 75 percent of the average daily enrollment funding standards for campus child care programs. Campus child care programs operated by the University of California, California State University and Colleges, and community colleges that did not levy a permissive override tax in the 1977–78 fiscal year shall receive reimbursement from the superintendent which equals 100 percent of the average daily enrollment funding standards for campus child care programs.
5. The $3,686,000 appropriated by this item for Campus child care tax bailout shall be allocated by the Department of Education on order of the Chancellor of the California Community Colleges. The Chancellor shall order the allocation of these funds to community college districts which levied child care permissive override taxes in 1977–78 pursuant to Sections 8329 and 8330 of the Education Code in an amount equal to the property tax revenues, tax relief subventions, and state aid required to be made available by the district to its child development program for the 1979–80 fiscal year pursuant to Section 30 of Chapter 1035 of the Statutes of 1979, increased by any cost-of-living increases granted in subsequent fiscal years. These funds shall be used only for the purpose of community college child development programs.
6. Notwithstanding any other provision of law, agencies maintaining child care and child development programs in migrant housing centers shall be responsible to the local housing agency contracting with the state, for use of facilities within the migrant housing center.

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7. Notwithstanding the provisions of Section 8262 of the Education Code and Sections 14616 and 14780 of the Government Code, the Superintendent of Public Instruction may enter into and execute local agreements for allocation of the funds appropriated in category (b) of this item and, to the extent permissible under federal law, for allocation of the funds appropriated in Item 6100-196-890 to any public or private entity or agency for (a) the delivery of child care and development services or (b) the furnishing of property, facilities, personnel, supplies, equipment, or administrative services related to the delivery of child care and development services. Prior to entering into or executing such local agreements, however, the Department of Education shall obtain approval from the Department of General Services and the Department of Finance as to the form and general content thereof. Such agreements may only be made for the delivery of child care and development services, or the furnishing of property, facilities, personnel, supplies, equipment, or administrative services related thereto, which conform to the provisions of Chapter 2 (commencing with Section 8200) of Part 6 of the Education Code, excluding Section 8262.
8. Fees collected pursuant to subdivision (f) of Section 8263 of the Education Code shall be allocated as follows:
   (a) The child care and development agency collecting the fee shall be entitled to keep 10 percent of the fee to defer the cost of collection.
   (b) The balance of the fees collected shall be submitted to the State Department of Education for distribution as follows:
      (1) First, to reimburse the Department of Social Services for AFDC General Fund costs for the increase in AFDC grants resulting from the provisions of subdivision (f) of Section 8263 of the Education Code.
      (2) Second, to reimburse the child care and development agencies which collected the fees pursuant to subdivision (f) of Section 8263 of the Education Code, for providing services to addi-

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tional eligible families.

(3) Finally, any remaining funds shall be transferred to the local child care and employment fund in accordance with the formula established pursuant to Section 15053 of the Unemployment Insurance Code.

9. Until such time as new funding procedures are established by the State Department of Education, the following reimbursement factors shall remain in effect:
   (a) Under 4 hours per day: 50% of the full-time daily rate.
   (b) 4 to under 6½ hours: 75% of the full-time daily rate.
   (c) 6½ to under 10½ hours: 100% of the full-time daily rate.
   (d) 10½ hours and over: 150% of the full-time daily rate.
10. Notwithstanding any provisions of law to the contrary, the State Department of Education shall reimburse School-Age Parenting and Infant Development Program on the basis of reimbursable costs incurred, and service level, not to exceed the amount specified in the contract.
11. Repayments of loans made pursuant to Section 8277.2 of the Education Code, for minor capital outlay expenditures by a local child care and development agency to renovate or repair child care facilities owned by the state or a local government or nonprofit, nonsectarian agency to meet state and local health and safety standards, shall be reimbursable as actual and allowable costs. These reimbursable costs shall not exceed the maximum amount established by the contract between the Office of Child Development and the contracting agency, and shall be allowable provided that the agency shall not reduce the level of services provided to children. No expenditure in excess of $500 may be made unless approved in writing in advance by the Office of Child Development.

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12. The State Department of Education shall allocate from the above schedule an amount, not to exceed $300,000, for the training of child development teachers who work with migrant and other language minority pupils. The training shall (a) provide for college course credit, (b) utilize, to the extent appropriate, bilingual instructors and be conducted through a multicultural approach, and (c) be cost effective.

    The State Department of Education shall select an agency or consortium to provide the training through a Request-for-Proposal (RFP) process.

13. The $1,000,000 appropriated by this item for Protective Services Child Care shall be used to fund respite child care as defined by subdivision (aa) of Section 8208 of the Education Code. Payment for services may be made according to rates established by contacts between the State Department of Education and the contracting agencies, and administrative costs shall be reimbursed in accordance with guidelines established by the State Department of Education for alternative payment programs.

14. Of the amount appropriated in category (a), $500,000 shall be used only to fund expanded enrollment in state preschool programs in those areas in which the Superintendent of Public Instruction determines such expansion is necessary on the basis of increases in the population eligible to participate in the program.

15. The $250,000 appropriated in category (d) shall be used by the State Department of Education to fund an assessment of the quality of child care services in Contra Costa County.

6100-196-890—For local assistance, Department of Education, Program 30.10—Child Development, payable from the Federal Trust Fund 1,957,000

6100-201-001—For local assistance, Department of Education, Program 30.20—Child Nutrition 26,803,000

Provisions:

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1. Funds appropriated by this item are for child nutrition programs pursuant to the provisions of Section 41311 and clause (3) of subdivision (a) of Section 41312 of the Education Code; and that claims for reimbursement of meals pursuant to this appropriation shall be submitted by school districts not later than September 30, 1985, to be eligible for reimbursement.
2. Notwithstanding any other provisions of law, funds appropriated by this item shall be available for allocation in accordance with provisions of Section 49536 of the Education Code, except that such allocation shall not be made on the basis of all meals served but shall be made on the basis of the number of meals that are served and which qualify as free or reduced priced meals in accordance with provisions of Sections 49501, 49550, and 49552 of the Education Code.
3. Notwithstanding provisions of Section 49536 of the Education Code, the adjustment in 1984–85 to the 1983–84 reimbursement rate for meals for needy pupils shall be limited to the amount provided in this act in lieu of the cost adjustment factor based on the "Food Away from Home Index".

6100-201-890—For local assistance, Department of Education, Program 30.20—Child Nutrition, payable from the Federal Trust Fund. 369,767,000

Provisions:

1. The State Department of Education shall, upon request of any Child Care Food Program Sponsor, review all audits of such Child Care Food Program sponsors conducted for the period of October 1, 1977, through September 30, 1981, to identify those with exceptions relating to menu pattern issues or meal production issues, or both. Those audits shall be reevaluated and adjustments shall be made to related audit findings where sponsors have demonstrated or demonstrate appropriate corrective action.

   Outstanding audit exceptions involving eligibility, shift, or other recordkeeping for which alternate documentation is currently being accepted, for the years 1977 through 1981, shall be adjusted in accordance with the current audit practices based on new information provided by the sponsoring agency.

   Upon enactment of this act, the Department

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of Education shall solicit the above information from all sponsors whose audits are affected by this provision and shall allow the affected sponsors 60 days to respond from the date of such solicitation. However, all affected sponsors shall be notified of the result of the review no later than December 31, 1984. The department shall suspend collection of audit exceptions from all sponsors affected by the above provisions until reevaluations and adjustments have been completed.

In the period necessary to effectuate the above actions, the department shall not cancel, rescind, or otherwise jeopardize the Child Care Food Program meal service to existing agencies covered under this item unless there is evidence of fraud.

6100-206-001—For local assistance, Department of Education, Program 30.40—Urban Impact Aid, for transfer to Section A of the State School Fund, for the purposes of Section 54060 of the Education Code 70,699,000

Provisions:

1. Notwithstanding any other provision of law to the contrary, the amounts appropriated in this item and in subschedule (s) of Item 6100-226-001 shall be the maximum amount allocated for the purposes of Section 54060 of the Education Code.

Schedule:

(a) 10.60.010—For unified school districts pursuant to subdivision (a) of Section 54060 of the Education Code 61,483,000

(b) 10.60.020—For nonunified school districts pursuant to subdivision (b) of Section 54060 of the Education Code 9,216,000

2. Notwithstanding Section 54060 of the Education Code, the Superintendent of Public Instruction shall determine nonunified districts eligibility for, and allocations of, funds appropriated by subcategory (b) by applying the formulas specified in Section 54060 of the Education Code to (1) 1983–84 data on average daily attendance and AFDC counts and (2) the most recent Racial and Ethnic Survey.

Item	Amount
6100-207-001—For local assistance, Department of Education, Program 30.40—Meade Aid, for transfer to Section A of the State School Fund, for the purpose of Section 54061 of the Education Code	9,646,000
Provisions:	
1. Funds appropriated in this item are in lieu of the amount which would otherwise be appropriated pursuant to Section 54058 of the Education Code.	
6100-209-001—For local assistance, Department of Education, for transfer to the Controller for reimbursement of claims received pursuant to Section 44944 of the Education Code, Program 10.10—School Apportionments	18,000
6100-211-001—For local assistance, Department of Education, California State Library, Program 50.20—Statewide Library Support and Development	9,635,000
Provisions:	
1. Funds appropriated by this item are for allocation by the California Library Services Board to eligible libraries and library systems pursuant to Chapter 4 (commencing with Section 18700) of Part 11 of the Education Code.	
6100-211-890—For local assistance, Department of Education, California State Library, Program 50.20—Statewide Library Support and Development, payable from the Federal Trust Fund	6,162,000
6100-221-001—For local assistance, Department of Education, California State Library, Program 50.20—Statewide Library Support and Development—Public Library Foundation Program	27,900,000
6100-222-001—For local assistance, Department of Education, for the purpose of Chapter 3 of Part 7 (commencing with Section 10200) of the Education Code—Program 20.60.020 Youth Suicide Prevention Program	300,000
6100-224-001—For local assistance of Department of Education, Program 10.10—School Apportionments, for Transfer to Section A of the State School Fund, for the purposes of Sections 17717.7 and 17857 of the Education Code, incentive payments for utilizing alternatives to new construction and year-round schools	7,687,000

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Provisions:

1. Notwithstanding any other provision of law to the contrary, the funds appropriated in this item shall be the only funds allocated as incentive payments for year-round school operations and for incentive payments for utilizing alternatives to new construction.
2. Any eligible school district shall be permitted to receive funds pursuant to either Section 17717.7 or 17857 of the Education Code, but not pursuant to both sections.
3. Notwithstanding any other provision of law, if a district receives state reimbursement specifically attributable to the cost of operating schools on a year-round basis pursuant to a court-ordered or voluntary desegregation program, the district shall be eligible for any portion or all of the allowances for incentive payments under this item for the 1984–85 fiscal year only to the extent that the district incurs costs in 1984–85 specifically attributed to operating schools on a year-round basis, as audited and approved by the Controller, that exceed claims submitted for state reimbursement and deemed to be allowable costs by the Controller for such year-round operation pursuant to Sections 17739, 42243.6, and 42249 of the Education Code for the 1984–85 fiscal year. Funds received pursuant to this item for year-round school incentives shall be used for costs solely attributable to operating schools on a year-round basis. Funds may be distributed during the 1984–85 fiscal year pursuant to the requirements of the previous two sentences. However, the Controller shall audit and may make adjustments to the funds distributed under this item in future years.

6100-226-001—For local assistance, Department of Education, for cost of living increases, payable from the General Fund, to be transferred by the Department of Education upon approval by the Department of Finance 671,529,000

Provisions:

1. Notwithstanding any other provision of law to the contrary, the funds appropriated in this item shall be the only funds available for cost-of-living increases and inflation adjustments provided for K–12 education programs in the 1984–85 fiscal year.

Item	Amount
The funds appropriated in this item are available for transfer to other items in this act according to the following schedule:	
Schedule:	
(a) 10.10—School Apportionments:	
(1) K–12 Districts, for the purpose of paragraph (1) of subdivision (b) of Section 42238 of the Education Code (for transfer to Item 6100-101-001)	494,799,000
(2) Small School District Transportation Aid, for the purposes of Section 42240 and Section 42240.1 of the Education Code (for transfer to Item 6100-101-001)	1,096,000
(3) Meals for Needy Pupils Programs, for the purposes of Article 11 (commencing with Section 49550) of Chapter 9 of Part 27 of the Education Code (for transfer to Item 6100-101-001)	1,213,000
(4) Apprentice Programs, for the purpose of Section 8153 of the Education Code (for transfer to Item 6100-101-001)	190,000
(5) Summer School Programs, for the purpose of Section 42239 of the Education Code (for transfer to Item 6100-101-001)	2,261,000
(6) Transportation, for the purpose of subdivision (b) of Section 41856 of the Education Code (for transfer to Item 6100-111-001)	15,598,000
(7) K–12 County Offices of Education, in lieu of the amount which would otherwise be appropriated for the purposes of Section 2557 and paragraph (2) of subdivision (a) of Section 2551.3 of the Education Code (for transfer to Item 6100-106-001)	9,403,000
(8) Regional Occupational Centers and Programs, for the purpose of Article 1 (commencing with Section 52300) of Chapter 9 of Part 28 of the Education Code, in lieu of the amount which would otherwise be appropriated for inflation adjustments pursuant to Sections	

Item		Amount
	2557 and 42238 of the Education Code (for transfer to Item 6100-101-001)	10,206,000
(b)	10.30.040—Demonstration Programs in Reading and Mathematics (for transfer to Item 6100-146-001)	222,000
(c)	10.30.50—American Indian Education Centers (for transfer to Item 6100-151-001)	47,000
(d)	10.30.051—Native American Indian Education (for transfer to Item 6100-131-001)	20,000
(e)	10.30.070—Economic Impact Aid (for transfer to Item 6100-121-001)	10,740,000
(f)	10.50—Adult Education:	
(1)	In lieu of the amount which would otherwise be appropriated for the purpose of subdivision (a) of Section 52616 of the Education Code (for transfer to Item 6100-156-001)	13,279,000
(2)	Adults in Correctional Facilities, for the purpose of Section 41481.5 of the Education Code (For transfer to Item 6100-158-001)	75,000
(g)	10.60—Special Education:	
(1)	In lieu of the amount which would otherwise be appropriated for the purpose of Section 56723 of the Education Code (for transfer to Item 6100-161-001)	71,468,000
(2)	In lieu of the amount which would otherwise be appropriated for the purpose of Section 56782 of the Education Code (for transfer to Item 6100-161-001)	1,637,000
(h)	10.80.010—Gifted and Talented Program, in lieu of the amount which would otherwise be appropriated for purposes of Chapter 8 (commencing with Section 52200) of Part 28 of the Education Code (for transfer to Item 6100-124-001)	1,052,000
(i)	20.10.025—Curriculum Services—Educational Technology Program (for transfer to Item 6100-181-001)	69,000
(j)	20.10.035—Miller-Unruh Reading Program (for transfer to Item 6100-126-001)	1,013,000

Item	Amount
(k) 20.20.020—Instructional Materials Management and Distribution for Kindergarten through grade 8, in lieu of the amount which would otherwise be appropriated for inflation adjustments pursuant to Section 60246 of the Education Code (for transfer to Item 6100-186-001)	3,479,000
(*l*) 20.20.020—Instructional Materials Management and Distribution for grades 9–12 (for transfer to Item 6100-187-001)	1,068,000
(m) 20.40.060—Foster Youth Services for the purpose of Section 903 of the Welfare and Institutions Code (for transfer to Item 6100-119-001(a))	45,000
(n) 20.60.030—School Improvement Program (for transfer to Item 6100-116-001)	10,176,000
(o) 20.60.050—Staff Development (for transfer to Item 6100-191-001)	639,000
(p) 30.10.10—Preschool Education (for transfer to Item 6100-196-001)	1,898,000
(q) 30.10.20—Child Care Services (for transfer to Item 6100-196-001)	13,647,000
(r) 30.20—Child Nutrition, in lieu of the amount which would otherwise be appropriated for the purpose of Section 49536 of the Education Code (for transfer to Item 6100-201-001)	1,581,000
(s) 30.40—Urban Impact Aid (for transfer to subdivision (a) of Item 6100-206-001)	3,626,000
(t) 30.40—Meade Aid (for transfer to Item 6100-207-001)	569,000
(u) 50.20—Statewide Library Support and Development (for transfer to Item 6100-211-001)	413,000
3. The Department of Education shall apportion inflation allowances to juvenile hall programs on the basis of equal dollar amounts per ADA for each program.	
6100-301-680—For Capital Outlay, Department of Education, Program 90.50—Office of Surplus Property, payable from the Surplus Property Revolving Fund	780,000

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Schedule:

(a) Modifications to Pomona Warehouse 780,000

Provisions:

1. No funds appropriated for modifications to the Pomona Warehouse shall be expended for working drawings or construction until completion of a study of the state's donated food distribution program. Any modifications to the Pomona Warehouse shall be based upon that study.
2. Construction of the modifications to the Pomona Warehouse shall be contracted by the state and shall be competitively bid.

6100-490—Reappropriation, Department of Education. Notwithstanding any other provision of law, on the effective date of this act, the specified balances of the appropriations provided in the following citations, are reappropriated for the purposes provided for in such appropriations and any additional purposes provided in this section, and shall be available for expenditure until June 30, 1985:

001—General Fund

(1) Item 6100-146-001, Budget Act of 1983, the undisbursed balance, for the performance of evaluations and dissemination activities for Demonstration Programs in Reading and Mathematics.

(2) Chapter 498 of the Statutes of 1983, subdivision (a) (13) of Section 41301.3 of the Education Code, the undisbursed balance, for the purpose of validating test content for the Golden State Examination Program.

(3) Item 6100-121-001, Budget Act of 1983, $625,000 for settlement of the final audit determination identified as ACN 00002-09, Education Appeal Board Case No. 2-(57)-80.

036—Special Account for Capital Outlay

(1) The unencumbered balance of Section 35 of Chapter 1302 of the Statutes of 1983, for the purposes provided in Section 23.4 of Chapter 798 of the Statutes of 1980, as amended by Section 15.5 of Chapter 209 of the Statutes of 1982, relating to the renovation and repair of child care facilities to ensure compliance with state and local health and safety standards and acquisition and lease of relocatable facilities.

Item		Amount
(2) The unencumbered balance of Section 23.4 of Chapter 798 of the Statutes of 1980, as amended by Section 15.5 of Chapter 209 of the Statutes of 1982, for the purposes specified in Sections 8277.1 to 8277.7, inclusive, of the Education Code, relating to the renovation and repair of child care facilities to ensure compliance with state and local health and safety standards and acquisition and lease of relocatable facilities.		
6300-101-001—For transfer to the State Teachers' Retirement Fund for the State Teachers' Retirement System		512,345,000
(a) Provisions of Education Code Sections 23401 and 23402	301,032,000	
(b) Restoration of funds withheld from the Budget Act of 1983 due to the fiscal crisis in the General Fund	211,313,000	
6300-111-001—For transfer to the Retirees' Purchasing Power Protection Account within the State Teachers' Retirement Fund pursuant to Section 24701 of the Education Code, for the payment of increased annual cost-of-living adjustments for retirants, disabilitants, and beneficiaries in excess of the 2-percent adjustment authorized by Section 22131 of the Education Code		40,400,000
6320-001-001—For support of California Advisory Council on Vocational Education		26,000
Schedule:		
(a) 100000-Personal Services	17,000	
(b) 300000-Operating Expenses and Equipment	9,000	
6320-001-890—For support of California Advisory Council on Vocational Education, payable from the Federal Trust Fund		200,000
Schedule:		
(a) 100000-Personal Services	139,000	
(b) 300000-Operating Expenses and Equipment	61,000	
6330-001-890—For support of the California Occupational Information Coordinating Committee payable from the Federal Trust Fund		125,000
6360-001-001—For support of Commission on Teacher Credentialing, Professional Standards for Certificated Personnel and Exam Development		877,000
Schedule:		
(a) 100000-Personal Services	179,000	

Item	Amount
(b) 300000-Operating Expenses and Equipment 698,000	
6360-001-407—For support of Commission on Teacher Credentialing, payable from the Teacher Credentials Fund	4,671,000
Schedule:	
(a) 100000-Personal Services 2,663,000	
(b) 300000-Operating Expenses and Equipment 2,008,000	

Provisions:

1. The provisions applicable to Item 9840-001-494 shall not apply to the authorization of a deficiency for the purpose of funding professional standards review for the Commission on Teacher Credentialing, and the Director of Finance may authorize a deficiency expenditure for that purpose pursuant to Section 11006 of the Government Code, except that any authorizations for additional expenditures shall be subject to Section 28 of this act.
2. The Department of Finance is authorized to augment the commission's budget in an amount necessary to pay the actual amounts charged by the Department of Justice for fingerprint processing.
3. The commission shall report to the Legislature on January 31, 1985, on the number of credential applications received and the number of credential applications projected to be reviewed and processed for the remainder of the 1984–85 fiscal year. If the projected number of credential applications to be processed is less than 85,000, the Department of Finance shall reduce the number of authorized positions for the commission in the licensing operation in an amount proportional to the difference between 85,000 and the number of credential applications projected to be processed, and report this reduction to the Legislature within 30 days of the date on which the reduction occurs. If the projected number of credential applications to be processed exceeds 85,000, the Department of finance shall augment the number of authorized positions for the commission in the licensing operation in an amount proportional to the difference between 85,000 and the number of credential applications projected to be processed, and report this augmentation to the Legislature within 30 days of the

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date on which the augmentation occurs.

If at any time during the fiscal year, the average credential processing turn around time exceeds 45 calendar days, the Department of Finance shall augment the number of authorized positions to assist in lowering the turnaround time to less than 30 days, and report this augmentation to the Legislature within 30 days of the date on which the augmentation occurs.

6420-001-001—For support of California Postsecondary Education Commission 2,869,000

Schedule:

(a)	100000-Personal Services	2,063,000
(b)	300000-Operating Expenses and Equipment	816,000
(c)	Amount payable from the Federal Trust Fund (Item 6420-001-890) ..	−10,000

Provisions:

1. Of the amount appropriated in schedule (b), $262,000 may be expended for office automation including word processing equipment and installation. Before any expenditures are made relating to this acquisition, the California Postsecondary Education Commission shall adhere to all State Administrative Manual requirements relating to EDP, including Department of Finance approval of a Feasibility Study Report, the procurement document and the resultant contract for acquisition, and any additional requirements which the Department of Finance determines to be necessary to insure that this project is completed in an efficient manner. Upon acquisition of this equipment, the California Postsecondary Education Commission shall conduct a study to evaluate the increased benefits derived from the use of this equipment. This study shall be submitted to the Department of Finance in accordance with an evaluation plan contained in the Commission's Feasibility Study Report.
2. Of the amount appropriated in this item, $44,000 shall be available for expenditure to conduct a review of the Guaranteed Student Loan Program upon passage of SR 34.

6420-001-890—For support of California Postsecondary Education Commission, to be transferred to Item 6420-001-001, payable from the Federal Trust Fund 10,000

6440-001-001—For support of University of California.. 1,249,985,000

Item	Amount
Schedule:	
(a) Support	1,243,375,000
(b) Charles Drew Medical Program	5,365,000
(c) Podiatry Program	745,000
(d) Center for Global Peace	500,000

Provisions:

1. The appropriations from these funds are exempt from Section 31 of this act.
2. None of the funds appropriated may be expended to initiate major capital outlay projects, either by contract or lease-purchase agreement, without prior legislative approval, except for cogeneration and energy conservation projects. Exempted projects shall be reported under the provisions of Section 28 of this act.
3. The funds appropriated in category (b) are for support of University of California program of clinical health sciences education, research, and public service, conducted in conjunction with the Charles R. Drew Postgraduate Medical School, as provided for in Sections 1, 2, and 3 of Chapter 1140 of the Statutes of 1973.
4. The University of California shall ensure by adequate controls that funds appropriated by schedule (b) are expended solely for the support of such programs.
5. The funds appropriated by schedule (c) are for support of a program of basic and clinical health science education and primary health care delivery research in the field of podiatry, University of California, to be conducted in conjunction with the California College of Podiatric Medicine as provided for in Sections 1 and 4, inclusive, of Chapter 1497, Statutes of 1974.
6. Of the amount in schedule (a), $2,629,957 shall be available for expenditure only for support of the Northern and Southern Occupational Health Centers as established by a contract entered into with the Department of Industrial Relations pursuant to Section 50.8 of the Labor Code.
7. Of the amount in category (a), $2,900,000 shall be available for expenditure to support research of Acquired Immune Deficiency Syndrome.

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8. $4,080,000 of the amount in Schedule (a) shall be available only for microelectronics research, and shall be expended subject to the oversight and policy direction of a committee, to be appointed by the president of the university and to consist of equal numbers of state government, university, and electronics or semiconductor, or both, industry representatives, for the purposes of advancing appropriate research and graduate education in microelectronics research, including innovative research in microelectronics technology, its applications in computer and information sciences, and its necessary antecedents in other physical science disciplines.

   The expenditure of the $4,080,000 available for microelectronic research shall also be subject to the following conditions:

   (1) The university may utilize no more than $204,000 of the $4,080,000 for administrative and related costs.

   (2) The university may utilize a portion of the $4,080,000 as support for graduate student education and related professional teaching support.

   (3) To the extent possible, expenditures subject to the limits in paragraphs (1) and (2) shall be reimbursed through the joint research projects specified in paragraph (4).

   (4) The balance of the appropriation shall be used to fund industry/academic joint research projects for the policy purposes noted above, on a project-by-project basis, with a one-to-one match in total from the $4,080,000 and an industry contribution respectively.

9. No funds appropriated by this act may be used by the Regents of the University of California to reclassify instructional capacity space, administrative space, library space, or faculty offices to other uses unless and until any such proposed reclassification is first approved by the Department of Finance and 30 days' written notification is provided to the Chairperson of the Joint Legislative Budget Committee or his or her designee, or not sooner than such lesser time as the chairperson of such committee, or his or her designee, may in each instance determine.

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10. Since it is the intent of the Legislature in enacting this act that no qualified student be denied admission to the University of California because of a budget deficiency caused by unanticipated additional enrollments, the Director of Finance may, following the adoption of a resolution by the Regents of the University of California declaring an enrollment emergency, authorize the accelerated expenditure of amounts budgeted for the university, in the form of an agreement to seek a supplementary appropriation from the General Fund to the extent necessary to ensure that all qualified students can be admitted when the Director of Finance certifies that the systemwide enrollment of the University of California exceeds by 2 percent or more the enrollment upon which the budget for the university was based; provided, that no increased expenditure may exceed $6,000,000 in the aggregate for both the University of California and the California State University or be authorized sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson of such committee, or his or her designee, may in each instance determine.

In the event that the systemwide enrollment of the University of California is under the budgeted enrollment by more than 2 percent, such excess shall be unallocated by the Director of Finance. Unallocated funds may be reallocated to preclude layoffs only after the Director of Finance has approved such action and shall not be authorized sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson of such committee, or his or her designee, may in each instance determine.

For purposes of this provision, graduate enrollments of the University of California shall be excluded from all calculations.

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11. It is the intent of the Legislature and executive branch in enacting this act that the University of California teaching hospitals suffer no fiscal penalties in the 1984–85 fiscal year as a result of the Medicare cost reimbursement limits issued pursuant to the authority of paragraph (1) of subsection (v) of Section 1861 of the Social Security Act (para. (1), subsec. (v), Sec. 1395x, Title 42, U.S.C.) and the Medi-Cal program cost reimbursement limits issued pursuant to the authority of Sections 14105, 14106, and 14124.5 of the Welfare and Institutions Code, and defined in Section 51508 of Title 22 of the California Administrative Code. Therefore, the Director of Finance may, following the adoption of a resolution by the Regents of the University of California declaring a teaching hospital fiscal emergency, authorize the accelerated expenditure, on a loan basis, of amounts budgeted for the university, in the form of an agreement to seek a supplementary appropriation from the General Fund to the extent of the equivalent dollar amount for the 1984–85 fiscal year, as is determined for each hospital, which is related to the difference in the reimbursement rates allowed by the Medicare and Medi-Cal programs and the reimbursement rates claimed by the University of California. In considering such supplemental appropriation, the financial condition of each hospital shall be taken into account. Provided further, that the University of California will appeal for exceptions to these limits pursuant to procedures for requesting such appeals; provided further, that no increased expenditure may exceed $2,450,000 or be authorized sooner than 30 days after notification in writing of the necessity therefor is made to the person of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson of such committee, or his designee, may in such instance determine.

Any funds provided under the authority of this section shall be repaid to the fund from which they were derived with the proceeds of the claims appealed, regardless of fiscal year, as

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decisions on cost reimbursement limits which gave rise to their authorization permit repayment of the loan. It is the intent of the Legislature that provisions for repayment of any loan balances shall be determined after the procedures for requesting appeals have been exhausted and all decisions are rendered. The university shall report annually in its budget on the status of such appeals.

12. Of the amount in category (a), $2,000,000 shall not be available for expenditure unless the encumbrance of these funds is authorized by the Department of Finance not sooner than 30 days after receipt of the university's long-term computer plan by the chairman of the committee in each house which considers the University of California appropriations and the Chairperson of the Joint Legislative Budget Committee. The long-term computer plan shall include:
    (1) A detailed process to estimate the instructional computer needs of the university. This process shall take into account the competing demands on student time across all disciplines in the student's educational program.
    (2) A detailed process to allocate instructional computing resources to faculty and students.
    (3) A description of the process to monitor and control the allocation plan.
13. The Regents of the University of California shall report to the Legislature no later than December 31, 1984, on the hiring practices of its faculty. The report shall include, at a minimum, the following:
    (1) A detailed description of the requirements used in selecting faculty members.
    (2) The impact that the selection criteria in (1) above has on the pool of minority and women candidates for faculty positions.
    (3) A detailed description of the pool of applicants for faculty positions by race, sex, educational, and, if possible, income background.
    (4) The rationale for requiring a Ph.D. as a criterion for selecting faculty members.

Item	Amount
14. If the sum of the unappropriated surplus in the General Fund and the unexpended balance of the Reserve for Economic Uncertainty on June 30, 1985, as reported in the State of California Preliminary Annual Report—Accrual Basis, is in excess of $400,453,000, then, notwithstanding Section 2.00, the excess over $400,453,000 up to a maximum of $64,800,000 is hereby appropriated from the General Fund to the Regents of the University of California for deposit in the University of California Retirement Fund. The appropriation shall be operative 30 days after the issuance of the Controller's Preliminary Annual Report. If the sum of the unappropriated surplus in the General Fund and the unexpended balance of the Reserve for Economic Uncertainty on June 30, 1985, as reported by the Controller in the Preliminary Annual Report, is less than or equal to $465,253,000, then the difference between the amount appropriated by this provision and $64,800,000 which otherwise would have been applied toward employer contributions to the University of California Retirement System, is hereby deferred for the 1984–85 fiscal year and will be amortized by supplemental appropriations to be included in the Budget Act for the 1985–86 fiscal year and each subsequent year thereafter, for a period not to exceed 30 years. These supplemental appropriations will be in addition to other appropriations for the support of the university and will be in amounts which, in total, will be the actuarial equivalent of the amount deferred pursuant to this act.	
6440-001-046—For support of University of California, Institute of Transportation Studies, payable from the Transportation Planning and Development Account, State Transportation Fund	940,000
6440-001-144—For support of University of California, Research in Mosquito Control, payable from the California Water Fund	100,000
6440-006-001—For support of the University of California, in addition to, and in augmentation of Item 6440-001-001, Program 45, Student Financial Aid, to provide financial aid to needy students attending the University of California, according to the nationally accepted needs analysis methodology	11,094,000
6440-011-001—For support of University of California, for augmentation for employee compensation	115,470,000

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Provisions:

1. The funds herein appropriated are for compensation increases, increases in benefits related thereto, and other benefits, to be allocated by the Department of Finance, in augmentation of Item 6440-001-001, in such amounts as will make sufficient money available for each employee of the University of California whose compensation, or portion thereof, is chargeable to the General Fund, to receive any such increases provided on or after July 1, 1984, by the Regents of the University of California.
2. Amounts proposed for employee compensation increases constitute the total increase in compensation for all employees of the University of California for the 1984-85 fiscal year. Funds appropriated for employee compensation increases are to be allocated by executive order of the Department of Finance to the Regents of the University of California for employees of the University of California, in accordance with salary and benefit schedules established by the Regents of the University of California.
3. Of the funds appropriated in this item, $10,940,000 shall be for a 4 percent faculty salary increase effective January 1, 1985.

6440-016-001—For support of University of California for augmentation for employee compensation 10,762,000

Schedule:

55-Provisions for Allocation..... 10,762,000

Provisions:

1. The funds herein appropriated are for compensation increases, increases in benefits related thereto, and other benefits, to be allocated by the Department of Finance, in augmentation of Item 6440-001-001 or allocations for support or for other purposes, in such amounts as will make sufficient money available for each employee of the University of California whose compensation, or portion thereof, is chargeable to the General Fund, to receive any such increases provided on or after July 1, 1984, by the Regents of the University of California.

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2. Funds appropriated for employee compensation increases are to be allocated by executive order of the Department of Finance to the Regents of the University of California for employees of the University of California, in accordance with salary and benefit schedules established by the regents of the university.
3. Of the funds appropriated in this item, $10,637,000 shall be for a comparable worth pay and equity program for nonfaculty staff, to alleviate the disparity in wages paid to men and women employed in comparable job classifications and within the same job classifications.
4. Of the funds appropriated in this item, up to $125,000 shall be for a comparable worth pay and equity study to be conducted by the University of California or a private consultant, but in either instance in consultation with the California Postsecondary Education Commission, and completed by December 1, 1984. If the study is conducted by a private consultant, the consultant shall be selected by an award process which includes criteria developed through consultation between the University of California and the California Postsecondary Education Commission. The study shall identify the specific classifications to be targeted, recommend percentage salary increases and the amount of funds required to provide such percentage increases. The study shall consider both comparability across classifications and pay equity within classifications. The scope of this study shall include Hastings College of Law.
5. No funds appropriated in this item for comparable worth pay and equity salaries shall be encumbered sooner than 30 days after submittal of the comparable worth pay and equity study and notification of the University of California's comparable worth pay and equity program to the Department of Finance and the Joint Legislative Budget Committee of the programmatic, administrative and funding details of the comparable worth pay and equity program.
6. None of the funds appropriated in this item shall be allocated or expended until subjected to negotiation between the University of California and recognized bargaining representatives.

Item		Amount
6440-301-146—For capital outlay, University of California, payable from the Capital Outlay Fund for Public Higher Education		50,513,000
Schedule:		
Universitywide:		
(1) Minor capital outlay	8,000,000	
(2) Project programming and preliminary plans	200,000	
Davis Health Sciences:		
(3) Annual payment toward the purchase of Sacramento Medical Center	200,000	
Santa Barbara Campus:		
(4) Contribution toward sewage treatment plant improvement	570,000	
Universitywide:		
(5) Working drawings and construct southern regional library compact shelving facility	13,997,000	
San Diego Campus:		
(6) Preliminary plans and working drawings for engineering building, Unit 1	1,450,000	
Los Angeles Campus:		
(7) Construct alterations to Schoenberg Hall	1,126,000	
San Francisco Campus:		
(8) Working drawings and construct animal care facility improvements	1,736,000	
Berkeley Campus:		
(9) Working drawings and construct animal facility corrections, Step 2	865,000	
Irvine Campus:		
(10) Preliminary plans and working drawings for engineering laboratory facility	223,000	
(11) Equip Charles R. Drew Postgraduate Medical School, Clinical Sciences Building, 3rd floor addition	1,470,000	
Berkeley Campus:		
(12) Correct California Administrative Code deficiencies, elevators, Step 2	785,000	
Berkeley Campus:		
(13) Correct California Administrative Code deficiencies, school of law building	489,000	
San Francisco Campus:		

Item	Amount
(14) Correct California Administrative Code deficiencies, high rise fire protection	2,440,000
(15) Correct California Administrative Code deficiencies, elevators	1,250,000
Los Angeles Campus:	
(16) Preliminary plans for law school addition and alterations	300,000
Berkeley Campus:	
(17) Initial planning study for life science building renovation	350,000
Los Angeles Campus:	
(18) Preliminary plans for school of engineering and applied science expansion	982,000
San Diego—Health Services:	
(19) Planning for seismic structural corrections, UCMC	75,000
Irvine—Health Sciences:	
(20) Construct diagnostic service module, UCIMC	3,141,000
Berkeley Campus:	
(21) Correct deficiencies in Cory Hall utilities systems	1,059,000
Riverside Campus:	
(22) Construct and equip nematode isolation and quarantine facility	743,000
Irvine Campus:	
(23) Working drawings and construct main library alterations	496,000
Los Angeles Campus:	
(24) Planning and working drawings for multi-media learning laboratory	150,000
San Diego Marine Sciences:	
(25) Planning and working drawings for SIO—seawater supply system and pier replacement	185,000
Berkeley Campus:	
(26) Working drawings and correct California Administrative Code deficiencies, Asbestos Hazard in State buildings, Step 1	1,200,000
(27) Working drawings and correct California Administrative Code deficiencies, elevators, Step 3	436,000
Los Angeles Campus:	

Item	Amount
(28) Working drawings and correct California Administrative Code deficiencies, high rise fire	634,000
(29) Preliminary plans and working drawings for correction of California Administrative Code deficiencies, elevators	218,000
Berkeley Campus:	
(30) Construction, campus energy conservation, air recirculation	279,000
(31) Install variable speed fans, Step 1, campus energy conservation	801,000
Irvine Campus:	
(34) Construct economizer units, central plant	224,000
Riverside Campus:	
(35) Working drawings and construct energy conservation, building retrofit, Phase I	290,000
San Francisco Campus:	
(36) Working drawings and construct energy conservation, Step 1	703,000
Santa Barbara Campus:	
Berkeley Campus:	
(38) Correct California Administrative Code deficiencies (handicapped), Step 2	130,000
Davis Campus:	
(39) Correct California Administrative Code deficiencies (handicapped access) Step 2	490,000
Riverside Campus:	
(40) Improve handicapped access, Step 1	302,000
San Diego Campus:	
(41) Correct California Administrative Code deficiencies, handicapped access, Step 1	200,000
Santa Cruz Campus:	
(42) Correct California Administrative Code deficiencies, handicapped access, Step 2	285,000
Berkeley Campus:	
(43) Working drawings and correct California Administrative Code deficiencies, handicapped access, Step 3	479,000
Santa Barbara Campus:	

Item	Amount
(44) Working drawings and correct California Administrative Code deficiencies, elevators, handicapped, Step 2	241,000
Santa Cruz Campus:	
(45) Working drawings and correct California Administrative Code deficiencies, handicapped access, Step 3	427,000
San Diego Campus:	
(46) Working drawings and construct elevator, Muir College building	493,000
San Diego—Marine Sciences:	
(47) Construct extension to SIO seawall, Step 2	399,000

Provisions:

1. Funds appropriated for project (2) shall be released only for those major capital outlay projects for working drawings and construction which are anticipated to be included in the 1985–86 Governor's Budget, except that a maximum of $100,000 shall be available for expenditure on July 1, 1984, for utility and site development and for development of environmental impact reports for major capital outlay projects, and for development of benefit/cost analyses of planning alternatives for proposed 1986–87 capital outlay projects.
2. Funds appropriated for project (17) shall be available for detailed programming and cost analysis associated with the planned renovation of the Life Science Building on the Berkeley Campus. The university shall (1) identify the most cost-effective alteration project to house the programs to be located in this building, and (2) maximize use of existing space to meet needs without alterations. In approving these funds, the Legislature is not approving the project scope or cost estimates submitted by the university in support of its original request for funding of an initial planning study for renovating this building.

6440-301-525—For capital outlay, State Public Works Board, payable from the proceeds from the sale of High Technology Education Revenue Bonds for the construction of University of California facilities pursuant to Chapter 1268, Statutes of 1983 59,655,000

Schedule:

Berkeley Campus:

Item	Amount
(1) Working drawings and construct life science building addition	41,429,000
Santa Barbara Campus:	
(2) Construct engineering building Unit 2	18,226,000

Provisions:

1. In addition to the cost of construction, the State Public Works Board may authorize any additional amounts necessary to pay the costs of financing, including interest, during construction of the project and the cost of issuance of permanent financing after completion of the project.
2. The State Public Works Board may authorize the augmentation of the cost of the construction of the engineering building at Santa Barbara (category (2)) under the board's authority under the Government Code.
3. No construction funds appropriated in category (1) for a Life Science Building Addition shall be expended unless all of the following occur:
   (a) The University of California reports to the Chairperson of the Joint Legislative Budget Committee, and the chairpersons of the committees which consider appropriations that the complaint (Animal Welfare Act Docket No. 283) filed by the United States Department of Agriculture (USDA) against the Regents of the University of California regarding the conditions of animal facilities on the Berkeley campus has been resolved to the satisfaction of the Department of Agriculture by means of a consent decree or other appropriate method.
   (b) The University of California reports to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees which consider appropriations, that the USDA, upon inspection of UC Berkeley animal facilities, certifies that UC Berkeley has achieved a level of compliance with the Animal Welfare Act (7 U.S. Code 2121, et seq.) which is acceptable.
   (c) The University of California develops and transmits to the USDA, the Chairperson of the Joint Legislative Budget Committee, and the chairpersons of the committees which consider appropriations a plan to eliminate, by September 30, 1984, any re-

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maining violations of the Animal Welfare Act which the USDA deemed undesirable but acceptable, excluding violations related to capital facility improvements.

(d) The University of California reports to the Chairperson of the Joint Legislative Budget Committee, and the chairpersons of the committees which consider appropriations, that all of the following have occurred:

(1) UC Berkeley has established and commenced operation of centralized storage and distribution of animal cages, feed, and bedding.

(2) UC Berkeley has completed training of all existing animal technicians and animal technician supervisors in the appropriate standards and protocols required by the USDA, American Association for Accreditation of Laboratory Animal Care (AAALAC), and the National Institutes of Health (NIH).

(3) UC Berkeley has developed and implemented an ongoing, regular program of training for new animal technicians and animal technician supervisors.

(4) UC Berkeley has instituted a continuing program of regular inspection of all animal facilities by campus veterinary staff which includes documentation of observed conditions.

4. The funds appropriated in this item for the Berkeley campus, Life Sciences Building Addition, shall be allocated by the Department of Finance in accordance with the schedule and expenditure plan developed by the University using the "Early Delivery System" design and construction technique. The proposed procedures shall provide adequate information at the completion of the preliminary planning to justify all construction funding requirements for this project. The construction amount approved for this project is based on the costs and schedules developed through the Early Delivery System procedures without regard to the base construction cost index established for projects budgeted in the 1984–85 Governor's Budget.

The Early Delivery System implementation phase shall be developed with sufficient cost

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control procedures so that any funds appropriated for this project shall not require augmentation in excess of 5 percent by administrative action pursuant to Section 16352 of the Government Code. The University shall submit a report on a quarterly basis to the Department of Finance and the Joint Legislative Budget Committee on the progress of the Early Delivery System. The report shall include the most recent information on the anticipated project cost and implementation schedule.

6440-301-718—For capital outlay, University of California, payable from the Health Sciences Facilities Construction Program Fund, for construction of the Irvine Health Sciences diagnostic service module, UCIMC 226,000

Provisions:

1. To the extent that additional funding becomes available for this project from the Health Facilities Construction Program Fund by means of interest or otherwise, the appropriation made by category (20) of Item 6440-301-146 shall be reduced by an equivalent amount.

6440-401—The Regents of the University of California shall not undertake any project funded from the Health Sciences Hospital Reserve Fund, which is in excess of $200,000, unless the scope and cost of any such project is approved by the Director of Finance and 30 days written notification is provided to the Chairperson of the Joint Legislative Budget Committee or his or her designee, or not sooner than such lesser time as the chairperson of such committee, or his or her designee, may in each instance determine. Any project funded from the Health Sciences Hospital Reserve Fund, of less than $200,000, shall be reported to the Chairperson of the Joint Legislative Budget Committee by December 1 of each fiscal year. For purposes of this section the definition of a project does not include equipment projects. Any urgent project concerned with patient life or safety may proceed without prior approval or notification but such project shall be identified in the report provided each December 1.

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6440-490—Reappropriation, University of California. Notwithstanding any other provision of law, the unencumbered balance, as of June 30, 1984, of the appropriation made in Item 6440-001-001 of the Budget Act of 1983, is hereby reappropriated for replacement of instructional equipment, deferred maintenance, and special repair projects, and shall be available for encumbrance until June 30, 1985.

Provision:

The University of California shall report to the Department of Finance and the Joint Legislative Budget Committee the amount of the unencumbered balance, on June 30, 1984, of Item 6440-001-001 of the Budget Act of 1983, by September 30, 1984, and the expenditures made pursuant to this item by September 30, 1985.

6600-001-001—For support of Hastings College of the Law 8,029,000

Schedule:

(a) 100000-Personal Services	7,523,000
(b) 300000-Operating Expenses and Equipment	2,595,000
(c) 400000-Special Items of Expense ..	1,240,000
(d) Reimbursements	−2,534,000
(e) Amount payable from the Federal Trust Fund (Item 6600-001-890) ..	−795,000

Provisions:

1. The appropriations from these funds are exempt from Section 31.00 of this Act.
2. If the sum of the unappropriated surplus in the General Fund and the unexpended balance of the Reserve for Economic Uncertainty on June 30, 1985, as reported in the State of California Preliminary Annual Report—Accrual Basis, is in excess of $400,000,000, then, notwithstanding Section 2.00, the amount of the excess over $400,000,000 up to a maximum of $453,000 is hereby appropriated from the General Fund to the Directors of the Hastings College of the Law for deposit in the University of California Retirement Fund. Such appropriation shall be operative 30 days after the issuance of the Controller's Preliminary Annual report.

   If the sum of the unappropriated surplus in the General Fund and the unexpended balance of the Reserve for Economic Uncertainty on June 30, 1985, as reported by the Controller in the Preliminary Annual Report is less than or

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equal to $400,453,000, then the difference between the amount appropriated by this provision and $453,000 which otherwise would have been applied toward employer contributions to the University of California Retirement System, is hereby deferred for the 1984–85 fiscal year and will be amortized by supplemental appropriations to be included in the Budget Act for the 1985–86 fiscal year and each subsequent year thereafter, for a period not to exceed 30 years. These supplemental appropriations will be in addition to other appropriations for the support of Hastings College of the Law and will be in amounts which, in total, will be the actuarial equivalent of the amount deferred pursuant to this act.

6600-001-890—For support of Hastings College of the Law, to be transferred to Item 6600-001-001, amount payable from the Federal Trust Fund 795,000

6600-006-001—For support of Hastings College of the Law, in addition to, and in augmentation of Item 6600-001-001, Program 40, Student Services, to provide financial aid to needy students attending Hastings College of the Law, according to the nationally accepted needs analysis methodology 247,000

6600-011-001—For support of Hastings College of the Law, for augmentation for employee compensation 862,000

Provisions:

1. The funds herein appropriated are for compensation increases, increases in benefits related thereto, and other benefits, to be allocated by the Department of Finance, in augmentation of Item 6600-001-001 or allocations for support or for other purposes, in such amounts as will make sufficient money available for each employee of Hastings College of the Law whose compensation, or portion thereof, is chargeable to the General Fund, to receive any such increase provided on or after July 1, 1984, by the Directors of Hastings College of the Law.
2. Amounts proposed for employee compensation increases constitute the total increase in compensation for employees of Hastings College of the Law for the 1984–85 fiscal year. Funds appropriated for employee compensation increases are to be allocated by executive order of the Department of Finance to the Directors of Hast-

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ings College of the Law for the employees of Hastings College of the Law in accordance with salary and benefit schedules established by the Directors of Hastings College of the Law.

3. Of the funds appropriated in this item, $86,000 shall be for a 4 percent faculty salary increase effective January 1, 1985.

6600-016-001—For support of Hastings College of the Law, for augmentation for employee compensation 79,000

Provisions:

1. The funds herein appropriated are for compensation increases, increases in benefits related thereto, and other benefits, to be allocated by the Department of Finance, in augmentation of Item 6600-001-001 or allocations for support or for other purposes, in such amounts as will make sufficient money available for each employee of the Hastings College of the Law whose compensation, or portion thereof, is chargeable to the General Fund, to receive any such increases provided on or after July 1, 1984, by the Directors of the Hastings College of the Law.
2. Funds appropriated for employee compensation increases are to be allocated by executive order of the Department of Finance to the Directors of the Hastings College of the Law for employees of the Hastings College of the Law, in accordance with salary and benefit schedules established by the Directors of the Hastings College of the Law.
3. The funds appropriated in this item shall be for a comparable worth pay and equity program for nonfaculty staff, to alleviate the disparity in wages paid to men and women employed in comparable job classifications and within the same job classifications.
4. No funds appropriated in this item for comparable worth pay and equity salaries shall be encumbered sooner than 30 days after submittal of the comparable worth pay and equity study as provided for in Item 6440-016-001 and notification of the Hastings College of the Law's comparable worth pay and equity program to the Department of Finance and the Joint Legislative Budget Committee of the programmatic, administrative, and funding details of the comparable worth pay and equity program.

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5. None of the funds appropriated in this item shall be allocated or expended until subjected to negotiation between the Hastings College of the Law and recognized bargaining representatives.

6600-301-146—For capital outlay, Hastings College of the Law, payable from the Capital Outlay Fund for Public Higher Education, minor capital outlay..... 331,000

6610-001-001—For support of Trustees of the California State University and the California State University 1,016,201,000

Schedule:

(a) 01-Instruction	725,280,000
(b) 03-Public Service	875,000
(c) 04-Academic Support	140,778,000
(d) 05-Student Service	94,127,000
(e) 06-Institutional Support	279,651,000
(f) 07-Independent Operations	41,480,000
(h) Reimbursements	-266,197,000
(i) Special Adjustment—Cost-of-Living Increase	207,000

Provisions:

1. The funds appropriated in this item shall be subject to the provisions of Section 13320 of the Government Code and applicable Budget Act restrictions with the following exceptions:
   (a) The trustees may transfer excess salary savings funds from the salary savings reserve allotments to expenditure allotments provided such transfers do not exceed 20 percent of salary savings. Excess salary savings funds are those in excess of the amount budgeted.
   (b) The trustees may approve transfer of funds between one or more of the programs for which funds are appropriated for the support of the California State University.

   Any transfer of funds made under the above exceptions shall be reported to the Department of Finance and Joint Legislative Budget Committee within 30 days after the end of each quarter in which such transfer was approved.
2. The funds appropriated in this item may be reallocated upon order of the Trustees of the California State University subject to being reported to the Department of Finance; provided that no instructional faculty positions authorized for the 1984–85 fiscal year shall be used for administration, administrative assistance, department

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chairmanships, or noninstructional research.

3. No portion of the funds appropriated in this item for instructionally related activities may be expended for intercollegiate athletics.
4. No funds appropriated in this item or Item 6610-021-001 or Item 6610-301-146 may be used by the Trustees of the California State University to reclassify instructional capacity space, administrative space, library space, or faculty offices to other uses unless and until any such proposed reclassification is first approved by the Department of Finance and 30 days' written notification is provided to the Chairperson of the Joint Legislative Budget Committee or his or her designee, or not sooner than such lesser time as the chairperson of the committee, or his or her designee, may in each instance determine.
5. Since it is the intent of the Legislature in enacting this act that no qualified student be denied admission to the California State University because of a budget deficiency caused by unanticipated additional enrollments, the Director of Finance may, following the adoption of a resolution by the Trustees of the California State University declaring an enrollment emergency, authorize the accelerated expenditure of amounts budgeted for the state university, in the form of an agreement to seek a supplementary appropriation from the General Fund to the extent necessary to ensure that all qualified students can be admitted when the Director of Finance certifies that the systemwide enrollment of the California State University exceeds by 2 percent or more the enrollment upon which the budget for the state university was based; provided, that no increased expenditure may exceed $6,000,000 in the aggregate for both the California State University and the University of California or be authorized sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson of such committee, or his or her designee, may in each instance determine.

   In the event that the systemwide enrollment of the California State University is under the

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budgeted enrollment by more than 2 percent, such excess shall be unallocated by the Director of Finance. Unallocated funds may be reallocated to preclude layoffs only after the Director of Finance has approved such action and shall not be authorized sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairperson of such committee, or his or her designee, may in each instance determine.

Based upon fall annualized full-time equivalent (FTE) students, all surplus funds withdrawn from any campus consistent with the policy of the California State University (CSU) system due to fluctuations in student enrollments, shall be returned:

(a) To campuses with enrollments in excess of the budgeted level consistent with the CSU policy and

(b) To all campuses for allocation to the programs of "Instruction" and "Academic Support".

"Surplus" is defined as those funds in excess of that returned to the state pursuant to this section. No exceptions to the above prescribed allocation may be made unless prior approval is given by the Department of Finance and is reported to the Chairperson of the Joint Legislative Budget Committee, and the financial necessity of any such exception shall be identified.

6. Of the amount available in this item for Academic Support, instructional computing, $2,000,000 related to the replacement, upgrade, and associated software for local timesharing systems shall not be available for expenditure without prior approval of the Feasibility Study reports by the State Office of Information Technology (SOIT) in the Department of Finance and notification of the approval to the Joint Legislative Budget Committee.

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7. Of the amount available in this item, $250,000 shall be used to obtain a consultant to work with a group of senior, experienced faculty and administrators who are systemwide decision-makers to assist with the (1) identification of general functional administrative system requirements and functional specifications for needed administrative support systems; (2) determination of required changes in the Division of Information Systems' Administrative Systems Group; and (3) establishment of improved planning in the Division of Information Systems. The California State University shall provide a plan to the Department of Finance by June 1, 1984, showing how it will use the consultant. The plan shall include clear checkpoints and deliverables and be approved by the Department of Finance, with notification of approval to the Joint Legislative Budget Committee, before such funds may be expended.
8. Of the funds appropriated in this item, $100,000 shall be to study successful teaching practices to meet the educational needs of underachieving students in secondary schools, particularly those from linguistic minority backgrounds. The chancellor may utilize these funds for development of research partnership programs with participating high schools, contingent on the passage of AB 3995 of the 1983–84 Regular Session.
10. Of the funds appropriated in this item, $175,000 shall be for the Labor Archives at California State University, San Francisco.

6610-001-890—For support of Trustees of the California State University and the California State University for Student Service Program 05, payable from the Federal Trust Fund 52,821,000

6610-011-001—For support of Trustees of the California State University and the California State University, in addition to and in augmentation of Item 6610-001-001, Program 05—Student Service, to provide financial aid to California State University students 13,441,000

Provisions:

1. The funds appropriated in this item shall be used to provide financial aid to needy students according to the nationally accepted needs analysis methodology.

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2. The funds appropriated in this item shall be first used to provide financial aid related to the State University Fee. To the extent that funds are available, financial aid grants shall be used to offset other mandatory fees.
3. Notwithstanding Item 6610-490 or any other provision of law, the unencumbered balance, as of June 30, 1984, of the appropriations made in Item 6610-001-001 or 6610-011-001 of the Budget Act of 1983 for the State University Grant Program is hereby reappropriated to and in augmentation of this item.

6610-021-001—For support of Trustees of the California State University and the California State University, in addition to and in augmentation of Item 6610-001-001, Programs 01 and 06 respectively 22,722,000

Schedule:

(a) 01-Instruction (replacement of instructional equipment) 11,868,000
(b) 06-Institutional Support (deferred maintenance and special repair projects) 10,672,000
(c) 06-Institutional Support (preliminary plans and working drawings to renovate the chemistry laboratories at Long Beach State University) 182,000

Provisions:

1. Notwithstanding the provisions of Section 2.00 of this act, the funds appropriated by Category (b) shall be available for expenditure until June 30, 1986.
2. The funds appropriated by category (c) shall be available only if funds for this project are not appropriated in Item 6610-301-146.

6610-031-001—For support of Trustees of the California State University and the California State University, for augmentation for employee compensation 111,261,000

Schedule:

10-Unallocated Salary Increase 111,261,000

Provisions:

1. The funds herein appropriated are for compensation increases, increases in benefits related thereto, and other benefits, to be allocated by the Department of Finance, in augmentation of Item 6610-001-001 or allocations for support or for other purposes, in such amounts as will make sufficient money available for each state officer

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or employee in the state service, whose compensation, or portion thereof, is chargeable to the General Fund, to receive any such increases provided on or after July 1, 1984, by the Trustees of the California State University.

2. Amounts proposed for employee compensation increases constitute the total increase in compensation for all employees of the California State University for the 1984–85 fiscal year. Funds appropriated for employee compensation increases are to be allocated by executive order of the Department of Finance to the Trustees of the California State University in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining in units not yet certified, or in units that are certified but are not bargaining for a 1984–85 memorandum of understanding as of the date of this act, in accordance with salary and benefit schedules established by the Trustees of the California State University.
3. Of the funds appropriated in this item, $2,920,000 shall be for a one percent faculty salary increase effective January 1, 1985.
4. The Trustees of the California State University shall not use funds appropriated in this item to fund the $4,500,000 continuation costs for 1983–84.
5. Of the funds appropriated by this item, $11,300,000 shall be available to the Trustees of the California State University for augmentation of faculty compensation and benefits.

6610-033-001—For support of Trustees of the California State University and the California State University, for augmentation for employee compensation 8,624,000

Schedule:

10-Unallocated Salary Increase 8,624,000

Provisions:

1. The funds appropriated in this item are for compensation increases, increases in benefits related thereto, and other benefits, to be allocated by the Department of Finance, in augmentation of Item 6610-001-001 or allocations for support or for other purposes, in amounts which will make sufficient money available for each employee of the California State University whose compensation, or portion thereof, is chargeable to the General Fund, to receive any such increases

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provided on or after July 1, 1984, by the Trustees of the California State University.

2. Funds appropriated for employee compensation increases are to be allocated by executive order of the Department of Finance to the Trustees of the California State University for employees of the California State University in accordance with salary and benefit schedules established by the trustees of the university.
3. Of the funds appropriated in this item, $8,499,000 shall be for a comparable worth pay and equity program for nonfaculty staff, to alleviate the disparity in wages paid to men and women employed in comparable job classifications and within the same job classifications.
4. Of the funds appropriated in this item, up to $125,000 shall be for a comparable worth pay and equity study to be conducted by California State University in consultation with the California Postsecondary Education Commission, and completed by December 1, 1984. If the study is conducted by a private consultant, the consultant shall be selected by an award process which includes criteria developed through consultation between California State University and the California Postsecondary Education Commission. The study shall identify the specific classifications to be targeted, recommend percentage salary increases and the amount of funds required to provide such percentage increases. The study shall consider both comparability across classifications and pay equity within classifications.
5. No funds appropriated in this item for comparable worth pay and equity salaries shall be encumbered sooner than 30 days after submittal of the comparable worth pay and equity study and notification of California State University's comparable worth pay and equity program to the Department of Finance and the Joint Legislative Budget Committee of the programmatic, administrative and funding details of the comparable worth pay and equity program.
6. None of the funds appropriated in this item shall be allocated or expended until subjected to negotiation between California State University and recognized bargaining representatives.

Item		Amount
6610-301-146—For capital outlay, Trustees of California State University and the California State University, payable from the Capital Outlay Fund for Public Higher Education		25,996,000
Schedule:		
Systemwide—Trustees of the California State University		
(1) 06.48.313-Preliminary planning, including energy projects	140,000	
(3) 06.48.315-Minor projects	5,500,000	
(4) 06.48.318-Minor projects—energy conservation retrofits	3,500,000	
(7) 06.86.074-Moss Landing Marine Laboratories—Working drawings and construct soil erosion and landscaping and equip laboratory facilities	244,000	
(8) 06.48.139-Study library system	92,000	
(8.1) Working drawings and remove architectural barriers to the handicapped	(2,500,000)	
California State University, Chico:		
(a) 06.52.081-Elevators, Physical Education and Performing Arts; modify library elevators	350,000	
California State University, Hayward:		
(b) 06.64.059-Elevators for Physical Education Building and modify elevators	298,000	
Humboldt State University:		
(c) 06.67.064-Elevator for Art/Music Building	185,000	
California State University, Los Angeles:		
(d) 06.73.069-Modify elevators	107,000	
California State University, Los Angeles:		
(e) 06.73.070-Elevator in King Hall	417,000	
San Diego State University:		
(f) 06.80.095-Elevator for Family Studies and Consumer Services	159,000	
San Jose State University:		
(g) 06.86.075-Elevators for Physical Education/Recreation Building and Science Building; access to Men's and Women's Pools	526,000	
San Jose State University:		
(h) 06.86.077-Modify elevators, campuswide	88,000	

Item	Amount
California Polytechnic State University, San Luis Obispo:	
(i) 06.96.080-Elevators, Physical Education Building and Music Center	370,000
Hayward State University:	
(9) 06.64.060-Construct modifications to Fine Arts Laboratory ventilation system	268,000
San Diego State University:	
(11) 06.80.093-Construct Old Library rehabilitation	2,386,000
Humboldt State University:	
(12) 06.67.062-Equip engineering building (Van Matre Hall)	217,000
State University, Northridge:	
(13) 06.82.055-Equip faculty office addition	9,000
State Polytechnic University, Pomona:	
(14) 06.98.080-Equip faculty office building	8,000
San Diego State University:	
(15) 06.80.058-Preliminary plans and working drawings, Physical Sciences Building rehabilitation	159,000
San Francisco State University:	
(16) 06.84.042-Construct Science Building conversion	1,320,000
Polytechnic State University, San Luis Obispo:	
(17) 06.96.072-Construct library conversion	2,425,000
State University, Fullerton:	
(18) 06.62.061-Construct library conversion	1,393,000
San Francisco State University:	
(19) 06.84.073-Preliminary plans and working drawings, remodel Business Building	84,000
Fresno State University:	
(20) 06.56.076-Preliminary plans and working drawings for Business Building	468,000
State University, Long Beach:	
(21) 06.71.086-Preliminary plans and working drawings for engineering, computer science and math laboratories	480,000

Item	Amount
Polytechnic State University, San Luis Obispo:	
(22) 06.96.093-Preliminary planning and working drawings, Agriculture Science Building	360,000
Humboldt State University:	
(23) 06.67.070-Preliminary plans and working drawings, Science Building remodel	50,000
San Diego State University:	
(24) 06.80.101-Working drawings and construct modifications to HVAC system for energy conservation	258,000
San Jose State University:	
(25) 06.86.081-Working drawings and construct energy management system	500,000
State University, Fullerton:	
(26) 06.62.065-Working drawings and construct energy management system	655,000
State University, Los Angeles:	
(27) 06.73.079-Preliminary plans and working drawings, energy management system	29,000
Polytechnic State University, San Luis Obispo:	
(28) 06.96.082-Preliminary plans, working drawings and construct energy management system	323,000
State Polytechnic University, Pomona:	
(29) 06.98.082-Preliminary plans, working drawings and construction, energy management system	357,000
State University, Hayward:	
(30) 06.64.061-Preliminary plans, working drawings and construct energy management system	503,000
California State College, San Bernardino:	
(31) 06.78.067-Preliminary plans and working drawings, faculty office building	128,000
State Polytechnic University, Pomona:	
(32) 06.98.090-Preliminary plans working drawings, music/faculty office building	174,000
California State College, Stanislaus:	
(33) 06.92.050-Preliminary plans library addition II	89,000

Item	Amount
Los Angeles State University:	
(34) 06.73.080-Preliminary plans and working drawings, remodel fine arts building	123,000
San Diego State University:	
(35) 06.73.080-Preliminary plans and working drawings, classroom/faculty office/student services building	365,000
Humboldt State University:	
(36) 06.67.072-Preliminary plans business and support services building	95,000
San Jose State University:	
(37) 06.86.083-Preliminary plans and working drawings, remodel old library (Wahlquist) for administration	140,000
Chico State University:	
(38) 06.52.091-Preliminary plans and working drawings, complete unfinished space in library for administration	143,000
State University, Long Beach:	
(39) 06.71.089-Preliminary plans and working drawings, renovation of chemistry laboratories	182,000
San Diego State University:	
(40) 06.80.102-Acquisition of land and buildings adjacent to Imperial Valley Campus	179,000
State University, Northridge:	
(41) 06.82.056-Preliminary plans and working drawings, Science Building addition	150,000

Provisions:

1. Notwithstanding the provisions of Section 2.00 of this act, the appropriations made for equipment items shall be available for expenditure only during the 1984–85 and 1985–86 fiscal years.
2. Withdrawals shall be as required to meet current obligations as certified by the Trustees of the California State University.
3. Funds appropriated in category (1) shall be available only for those major capital outlay projects for which working drawing funds or working drawings and construction funds are expected to be included in the 1985–86 Governor's Budget, and upon approval of the Depart-

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ment of Finance.

4. Prior to December 1, 1984, the CSU shall submit its completed library space study to the California Postsecondary Education Commission for review and comment. The CSU shall by February 1, 1985, submit a final report, including the commission's comments, to the chairperson of the committee in each house which considers appropriations and to the Chairperson of the Joint Legislative Budget Committee.
5. At least 20 days prior to State Public Works Board approval of preliminary plans for the project funded under category (19), remodeling of the San Francisco Business Building, the Chancellor's office shall submit to the chairperson of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee (a) the preliminary plans and cost estimate including the specific costs associated with construction of specialized seminar classrooms and (b) the planned utilization of these facilities.

6610-490—Reappropriation, California State University. Notwithstanding any other provision of law, the unencumbered balance, as of June 30, 1984, of the appropriation made in Item 6610-001-001 of the Budget Act of 1983, is hereby reappropriated for replacement of instructional equipment, deferred maintenance, and special repair projects, and shall be available for encumbrance until June 30, 1985. Provisions:

1. The California State University shall report to the Department of Finance and the Joint Legislative Budget Committee the amount of the unencumbered balance, on June 30, 1984, of Item 6610-001-001 of the Budget Act of 1983, by September 30, 1984, and the expenditures made pursuant to this item by September 30, 1985.

6860-001-001—For support of California Maritime Academy		4,929,000
Schedule:		
(a) 100000-Personal Services	4,312,797	
(b) 300000-Operating Expenses and Equipment	3,174,203	
(c) Reimbursements	−1,927,000	
(d) Amount payable from the California Maritime Academy Continuing Education Revenue Fund (Item 6860-001-519)	−127,000	

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(e) Amount payable from the Federal Trust Fund (Item 6860-001-890) .. —504,000

Provisions:

1. Of the funds appropriated by this item, $416,000 shall be available for fuel oil purchases for the operation of the training ship, The Golden Bear. To the extent that federal funds become available for this purpose, the Director of Finance shall unallot and revert to the General Fund an amount of up to $416,000 and increase the amount of reimbursements scheduled in this item by a corresponding amount. The Director of Finance shall report these changes to the Joint Legislative Budget Committee.
2. Of the funds appropriated by this item, $349,000 shall be available for expenditure only if the Department of Finance approves a feasibility study report which specifies the scope and cost of the rubble mound seawall and the Department of Finance notifies the Joint Legislative Budget Committee of that approval.

6860-001-519—For support of California Maritime Academy, to be transferred to Item 6860-001-001, payable from the California Maritime Academy Continuing Education Revenue Fund 127,000

6860-001-890—For support of California Maritime Academy, to be transferred to Item 6860-001-001, payable from the Federal Trust Fund 504,000

Provisions:

1. The Department of Finance shall increase the funds appropriated in this item by the amount of federal funds received in 1984–85 for the purchase of fuel oil.

6860-301-146—For capital outlay, California Maritime Academy, payable from the Capital Outlay Fund for Public Higher Education 333,000

Schedule:

(1) Preliminary plans, working drawings, and construction of faculty office addition 173,000
(2) Minor projects 160,000

6870-001-001—For support of Board of Governors of the California Community Colleges 5,149,000

Schedule:

(a) 10-Apportionments 1,237,000
(b) 20-Special Services and Operations 5,769,000
(c) 30.01-Administration 2,556,000
(d) 30.02-Administration—

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Distributed ..... −2,556,000
(e) Reimbursements ..... −1,857,000
Provisions:
1. Of the amount appropriated in this item, $40,000 is provided for State Operations in support of Instructional Improvement programs in lieu of any amount which otherwise would be appropriated for that purpose pursuant to Education Code Sections 84383 and 84384.
2. Of the amount appropriated in this item, $25,000 is provided for State Operations in support of the Cooperative Agencies Resources for Education program in accordance with the provisions of Chapter 1029, Statutes of 1982.
3. Upon certification by the Chancellor, the Controller shall transfer up to $90,000 from the amount appropriated in category (a) of Item 6870-101-001 to this item for the purpose of funding a Washington, D.C. office. This office shall be established for the purpose of representing the California Community Colleges before the various federal agencies and the Congress. Funds transferred pursuant to this provision shall not be considered in the calculation of any apportionment deficit.

6870-001-165—For support of Board of Governors of the California Community Colleges, Program 20.20.010 —Special Services and Operations—Faculty and Administrative Credentials, payable from the Community College Credentials Fund 527,000
Provisions:
1. Subject to the conditions of Article 4 (commencing with Section 87271) of Chapter 2 of Part 51 of the Education Code, and based on increases in credential applications, Item 6870-001-165 may be increased subject to the approval of the Department of Finance and notification of the Joint Legislative Budget Committee in accordance with the provisions of Section 28.00 of this act.

6870-101-001—For local assistance, Board of Governors of the California Community Colleges 1,136,210,000
Schedule:
(a) 10-Apportionments 1,074,989,000
(b) 20.10.010-Community College Extended Opportunity Programs and Services 27,836,000
(c) 20.10.020-Disabled Students 24,459,000

Item	Amount
(d) 20.20.020-Partial Financing of the Academic Senate for the Community Colleges	76,000
(e) 20.30.020-Instructional Improvement, for Transfer to the Community College fund for Instructional Improvement	850,000
(f) 20.40.020-Deferred maintenance	8,000,000
(g) 20.30.030-Vocational Education Special Projects	3,076,000
(h) Reimbursements	−3,076,000

Provisions:

1. The funds appropriated in Schedule (b) are for transfer by the State Controller during the 1984–85 fiscal year to Section B of the State School Fund for activities conducted under the provisions of Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. The Board of Governors shall allocate funds on a priority basis and to local programs on the basis of need for student services and financial aid.
2. The funds appropriated in Schedule (e) shall be expended only for grants.
3. The funds appropriated in Schedule (a) are for transfer by the State Controller during the 1984–85 fiscal year to Section B of the State School Fund, in lieu of the amount which otherwise would be appropriated for transfer from the General Fund in the State Treasury to Section B of the State School Fund for the 1984–85 fiscal year pursuant to Section 14020 of the Education Code, as needed, in addition to the sums accruing to Section B of the State School Fund from other sources for the purposes specified in this item for apportionment pursuant to Chapter 4.5 of Part 50 of the Education Code.
4. The funds appropriated in Schedule (c) are for transfer by the State Controller during the 1984–85 fiscal year to Section B of the State School Fund, in lieu of the amount which otherwise would be appropriated for transfer from the General Fund in the State Treasury to Section B of the State School Fund for the 1984–85 fiscal year pursuant to Section 14020 of the Education Code, for funding the excess direct instructional cost of providing special facilities, special education materials, educational assistance, mobility

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assistance, transportation, program accountability, program developmental services for handicapped students enrolled at community colleges, and for state hospital programs.

5. Of the amount appropriated in Schedule (a), up to $10,245,000 shall be available as necessary upon certification by the Chancellor of the California Community Colleges for the purpose of funding community college related and supplemental instruction pursuant to Section 3074 of the Labor Code as provided in Section 8153 of the Education Code. No community college district shall use funds available under this provision to offer any new apprenticeship training program unless that program has been approved by the Chancellor.
6. Of the amount in Schedule (b), $450,000 is provided for local assistance in support of the Cooperative Agencies Resources for Education program in accordance with the provisions of Chapter 1029, Statutes of 1982.
7. Of the amount in Schedule (a), up to $1,900,000 may be allocated by the Chancellor for the funding of employer-based job training programs of the type funded pursuant to Provision 12 of Item 6870-101-001 of the Budget Act of 1982. These programs shall be consistent with the intent of that provision and with the criteria adopted by the Board of Governors for allocating funds under that provision.
8. Notwithstanding Section 8152 of the Education Code, each 60-minute hour of teaching time devoted to each indentured apprentice enrolled in and attending classes of related and supplemental instruction as provided under Section 3074 of the Labor Code shall be reimbursed at the rate of three dollars and twenty-five cents ($3.25) per hour. For purposes of this provision, each hour of teaching time may include up to 10 minutes for passing time and breaks.

6870-101-909—For local assistance Board of Governors of the California Community Colleges Program 20.30.020—Instructional Improvement and Innovation, payable from the Community College Fund for Instructional Improvement 1,034,000

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Provisions:

1. Of the amount appropriated by this item, not more than $850,000 shall be allocated for grants and not more than $184,000 shall be allocated for loans.

6870-111-001—For local assistance, Board of Governors of the California Community Colleges 14,333,000

Schedule:

(a) 10-Apportionments 33,000
(b) 20.10.010-Extended Opportunity Programs and Services..... 2,100,000
(c) 20.10.020-Disabled Students 2,200,000
(d) 20.10.040-Community College Matriculation 10,000,000

Provisions:

1. Notwithstanding any other provisions of law, the funds appropriated in Schedule (a) are for transfer by the State Controller during the 1984–85 fiscal year to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to the Mendocino-Lake Community College District for its timber falling program.
2. The funds appropriated in Schedule (b) are for transfer by the State Controller during the 1984–85 fiscal year to Section B of the State School Fund for activities conducted under the provisions of Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. The Board of Governors shall allocate funds on a priority basis and to local programs on the basis of need for student services and financial aid.
3. The funds appropriated in Schedule (c) are for transfer by the State Controller during the 1984–85 fiscal year to Section B of the State School Fund, in lieu of the amount which otherwise would be appropriated for transfer from the General Fund in the State Treasury to Section B of the State School Fund for the 1984–85 fiscal year pursuant to Section 14020 of the Education Code, for funding the excess direct instructional cost of providing special facilities, special education materials, educational assistance, mobility assistance, transportation, program accountability, program developmental services for handicapped students enrolled at community colleges, and for state hospital programs.

Item	Amount
Notwithstanding any other provisions of law, none of these funds may be expended for providing services to learning disabled or developmentally disabled students.	
4. The funds appropriated in Schedule (d) shall be available for expenditure only if AB 2638 of the 1983–84 Regular Session is enacted.	
6870-301-146—For capital outlay, Board of Governors of the California Community Colleges, to be allocated, by the Board of Governors of the California Community Colleges to community college districts for expenditure by such districts, as set forth in the schedule below, payable from the Capital Outlay Fund for Public Higher Education.....	24,727,000
Schedule:	
Los Angeles Community College District	
West Los Angeles College (Airport Campus):	
(1) 40.26.110.010-Removal of Architectural Barriers to the Physically Handicapped, Phase II.....	61,000
Los Angeles Harbor College:	
(2) 40.26.030.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. II	82,000
Los Angeles Southwest College:	
(3) 40.26.070.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. II	245,000
Los Angeles Pierce College:	
(4) 40.20.060.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. II	132,000
West Los Angeles College:	
(5) 40.26.100.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. II	105,000
Los Angeles Valley College:	
(6) 40.26.090.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. II	28,000

Item	Amount
San Bernardino Community College District	
Crafton Hills College:	
(8) 40.46.010.010-Removal of Architectural Barriers to the Physically Handicapped	17,000
Los Angeles Community College District	
Los Angeles City College:	
(9) 40.26.020.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. II	304,000
East Los Angeles College:	
(10) 40.26.010.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. II	158,000
Los Angeles Trade-Tech College:	
(11) 40.26.080.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. II	334,000
Chaffey Community College District	
Chaffey College:	
(12) 40.08.010.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. II	184,000
Monterey Peninsula Community College District	
Monterey Peninsula College:	
(13) 40.32.010.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. III	274,000
Los Angeles Community College District	
Los Angeles City College:	
(14) 40.26.020.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. III	187,000
West Los Angeles College:	
(15) 40.26.100.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. III	172,000

Item	Amount
Los Angeles Pierce College:	
(16) 40.26.060.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. III	146,000
Yosemite Community College District	
Modesto Junior College:	
(17) 40.70.020.020-Removal of Architectural Barriers to the Physically Handicapped, Ph. III	114,000
Los Angeles Community College District	
Los Angeles Trade-Tech College:	
(18) 40.26.080.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. III	149,000
Los Angeles Southwest College:	
(19) 40.26.070.010-Removal of Architectural Barriers to the Physically Handicapped, Ph. III	183,000
Palomar Community College District	
Palomar College:	
(23) 40.38.010.020-Storm Drain Enlargement	618,000
Palomar College:	
(24) 40.38.010.010-Library Secondary Effects, Ph. I	1,459,000
Yosemite Community College District	
Modesto Junior College:	
(26) 40.70.020.030-Remodeling to add Computer Science Laboratory	256,000
Los Rios Community College District	
American River College:	
(27) 40.27.010.030-Remodel for Data Processing and Math Laboratories	324,000
Sacramento City College:	
(28) 40.27.030.020-Nursing Laboratory Remodel	123,000
Mendocino-Lake Community College District	
Mendocino College:	
(29) 40.29.010.040-Library & Alternate Learning Center	3,268,000

Item	Amount
Mendocino College:	
(30) 40.29.010.050-Initial Complement of Library Books	249,000
Ventura County Community College District	
Oxnard College:	
(31) 40.65.020.030-Occupational Education Building	3,767,000
Rancho Santiago Community College District	
Orange/Canyon Campus:	
(32) 40.41.010.020-Instructional Complex #1	2,037,000
Orange/Canyon Campus:	
(33) 40.41.010.030-Initial Complement of Library Books	252,000
Orange/Canyon Campus:	
(34) 40.41.010.040-Instructional Complex #2	2,083,000
Los Angeles Community College District	
West Los Angeles College (Airport Campus):	
(35) 40.26.010.020-Permanent Facilities, Phase IB	1,559,000
Lake Tahoe Community College District	
Lake Tahoe College:	
(36) 40.23.010.010-Site Development, Phase I	911,000
Lake Tahoe College:	
(37) 40.23.010.020-Building, Phase I	272,000
Mendocino-Lake Community College District	
Mendocino College:	
(38) 40.29.010.060-Classroom & Administration Bldg.	3,243,000
Southwestern Community College District	
Southwestern College:	
(39) 40.63.010.030-Automotive Building Addition	876,000

Item	Amount
Contra Costa Community College District	
Diablo Valley College:	
(40) 40.13.020.020-Food Service Laboratory Addition	365,000
Los Angeles Community College District	
Los Angeles Pierce College:	
(42) 40.26.060.020-Alterations and Additions to Auto Shop	40,000
Community Colleges Systemwide	
(45) 40.72.010-Preliminary Planning	100,000
(46) 40.72.020-Systemwide Library Study	50,000

Provisions:

1. Notwithstanding the provisions of Section 2.00 of this Act, the appropriations made for equipment items shall be available for expenditure only during the 1984–85 and 1985–86 fiscal years.
2. Each district's required matching share of funding for projects included in this item shall be determined in accordance with provisions of Sections 81838 and 81831(c) of the Education Code, except that "excluded funds" defined in Section 81838(c) shall be interpreted as district funds exclusively and shall also include moneys designated as district matching funds for projects included in prior Budget Acts and moneys designated for one hundred (100) percent district funded projects approved by the Chancellor's Office prior to July 1, 1983 for which no qualification regarding future eligibility for State funds was given.
3. In the event that the project funded in category (23), designated in the East Drain Alternative 2 Project as a detention basin, is used for nonstate facilities, the Palomar Community College District shall transfer $221,000 from its funds to the Controller, for deposit in the Capital Outlay Fund for Public Higher Education.

3.1. Funds appropriated in categories (32), (33), and (34) shall not be available for expenditure sooner than 30 days following notification by the Director of Finance to the Joint Legislative Budget Committee and chairpersons of the fiscal committees of both houses that these expenditures are justified. The basis of the director's decision shall be the California Post-

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secondary Education Commission's review and favorable recommendation of categories (32), (33), and (34) in accordance with the provisions of Section 66904 of the Education Code and Resolution 23-78 adopted by the commission on September 11, 1978.

The commission's recommendation shall be based on, but not limited to, consideration of the following factors:

(a) Enrollment projections for each campus within the district's boundaries.

(b) Alternatives to construction of a new campus.

(c) Involvement of the surrounding educational instructions and the local community during the planning process.

(d) Consideration of commuting time and public transportation service within the district boundaries and the immediate service area of the proposed campus.

(e) Academic program descriptions proposed for the campus and justification for establishing these programs on the proposed campus.

(f) Description of the physical, social, and demographic characteristics of the location proposed for the new campus.

(g) Provisions to facilitate access for economically, educationally, and socially disadvantaged students.

(h) Need for construction of a new campus in fiscal year 1984–85.

(i) Provisions to promote and maintain an ethnic balance in instructional programs on both campuses based on the district population in order that both campuses would have the same type and quality of instructional programs.

(j) Assurances that the district will function with a single administrative unit and that there will be no duplication of administrative programs or services on both campuses.

4. Funds appropriated in category (45) shall be available only for those major capital outlay projects for which working drawings funds or working drawings and construction funds are reasonably expected to be included in the 1985–86 Governor's Budget.

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5. On or before December 1, 1984, the Board of Governors of the California Community Colleges shall review its current study of library operations in light of recent technological developments and, if determined to be viable, shall submit its completed library space study to the California Postsecondary Education Commission for review and comment. The Board of Governors of the California Community Colleges shall, by February 1, 1985, submit a final report, including the comments of the California Postsecondary Education Commission, to the chairperson of the committee in each house which considers appropriations and to the Chairperson of the Joint Legislative Budget Committee.

COMMUNITY COLLEGE CONSTRUCTION BOND ACT PROGRAM

6870-301-736—For capital outlay, Board of Governors of the California Community Colleges, to be allocated by the Board of Governors of the California Community Colleges to community college districts for expenditure by such districts, as set forth in the schedule below, payable from the State Construction Program Fund 270,000

Schedule:

Cerritos Community College District	
Cerritos College:	
(1) 40.07.010.010-Removal of Architectural Barriers to the Physically Handicapped	59,000
San Diego Community College District	
Midway Adult Center:	
(2) 40.47.090.010-Removal of Architectural Barriers to the Physically Handicapped	34,000
Clairemont Mesa Adult Center:	
(3) 40.47.050.010-Removal of Architectural Barriers to the Physically Handicapped	8,000
Centre City Adult Center:	
(4) 40.47.040.010-Removal of Architectural Barriers to the Physically Handicapped	169,000

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Provisions:

1. Each district's required matching share of funding for projects included in this item shall be determined in accordance with provisions of Section 81838 and subdivision (c) of Section 81831 of the Education Code, except that "excluded funds" defined in subdivisions (c) of Section 81838 shall be interpreted as district funds exclusively and shall also include moneys designated as district matching funds for projects included in prior Budget Acts and moneys designated for 100 percent district funded projects approved by the Chancellor's Office prior to July 1, 1983, for which no qualification regarding future eligibility for state funds was given.
2. These funds, or so much thereof as may be necessary, are hereby appropriated for expenditures only for programs which have been approved pursuant to the provisions of the Community College Construction Act of 1980 (Chapter 4 (commencing with Section 81800) of Part 49 of the Education Code) as contemplated by the Community College Construction Program Bond Act of 1972 (Sections 1 to 10, inclusive, of Chapter 937 of the Statutes of 1971). All such appropriations shall be paid out of the State Construction Program Fund.
3. The funds appropriated in category (2), (3), or (4) of this item shall be available for expenditure only if the Chancellor's office determines that the facility was recommended as a new off-campus center by the California Postsecondary Education Commission pursuant to Section 66904 of the Education Code, or that the facility existed as an educational facility of the San Diego Community College District prior to the enactment of Section 66904 of the Education Code and is otherwise eligible for state funding.

6870-490—Reappropriation, Board of Governors of the California Community Colleges. Notwithstanding any other provision of law, the unencumbered balance, as of June 30, 1984, of the appropriation made in Item 6870-101-146 of the Budget Act of 1983, is hereby reappropriated for deferred maintenance and special repair projects, authorized pursuant to provisions of Section 84660 of the Education Code, and shall be available for encumbrance until June

Item		Amount
30, 1985.		
7980-001-001—For support of the Student Aid Commission		5,191,000
Schedule:		
(a) 100000-Personal Services	4,405,000	
(b) 300000-Operating Expenses and Equipment	7,241,000	
(c) Amount payable from the State Guaranteed Loan Reserve Fund (Item 7980-001-951)	−6,455,000	
Provisions:		
1. Of the funds appropriated by category (b), $75,076 shall be available for expenditure to conduct program reviews of the loan programs at a selected number of institutions which have default rates above 15 percent.		
2. An interagency agreement shall be executed between the Student Aid Commission and the Office of the Legislative Analyst, which shall provide for the transfer of $100,000 of the amount appropriated in category (b) to the Office of the Legislative Analyst. The Office of the Legislative Analyst shall expend that amount, or as much thereof as may be necessary, for the purpose of contracting with an individual, group of individuals, firm, or organization deemed qualified and competent by the Legislative Analyst to study and develop recommendations concerning the management of the Student Aid Commission and for the purpose of paying any overhead costs associated with the supervision of the contract.		
7980-001-951—For support of the Student Aid Commission, to be transferred to Item 7980-001-001, payable from the State Guaranteed Loan Reserve Fund		6,455,000
Provisions:		
1. The funds appropriated in this item are for the following:		
a. State Guaranteed Student Loan Program	68,000	
b. State Guaranteed Student Loan Program, for purposes of Chapter 1201, Statutes of 1977	6,387,000	

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2. Notwithstanding the provisions of Item 9840-001-988, the Director of Finance may authorize deficiencies pursuant to Section 11006 of the Government Code from funds appropriated from the State Guaranteed Loan Reserve Fund pursuant to Section 69766 of the Education Code.

7980-011-951—To the Student Aid Commission, Program 50, purchase of defaulted student loans, payable from the State Guaranteed Loan Reserve Fund 79,421,000

Provisions:

1. Notwithstanding the provisions of Item 9840-001-988 the Director of Finance may authorize the creation of deficiencies pursuant to Section 11006 of the Government Code, for the purposes of this item.
2. No authorization may become effective sooner than 10 days after notification in writing to the Joint Legislative Budget Committee.

7980-011-890—To the Student Aid Commission, Program 50, for transfer to the State Guaranteed Loan Reserve Fund, payable from the Federal Trust Fund 77,240,000

Provisions:

1. Any Federal funds received by the Student Aid Commission in excess of the amount set forth in this item shall be transferred to the State Guaranteed Loan Reserve Fund in a manner prescribed by the Department of Finance. No authorization may become effective sooner than 30 days after the notification in writing to the Joint Legislative Budget Committee, or such lesser time as the Committee, or its designee, may in each instance determine.

7980-101-001—For local assistance, Student Aid Commission 85,270,000

Schedule:

(a) Scholarships (Cal Grant (a))	62,520,000
(b) College Opportunity Grants (Cal Grant (b))	26,159,000
(c) Occupational Education and Training Grants (Cal Grant (c))	2,746,000
(d) Fellowships for Graduate Study ..	2,721,000
(e) Dependents of Deceased or Disabled Peace Officers Grants	8,000
(f) Bilingual Teacher Grants	2,786,000
(g) Amount payable from the Federal Trust Fund (Item 7980-101-890) ..	—11,670,000

Item Amount

Provisions:

1. Funds appropriated in categories (a) through (c) are for awards in the Cal Grant Program under provisions of Article 3 (commencing with Section 69530), of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, Student Aid Commission.
2. The funds appropriated in categories (d) through (f) are for grant awards and graduate fellowship awards under provisions of Article 2 (commencing with Section 52150) of Chapter 7 of Part 28 of the Education Code and under provisions of Article 9 (commencing with Section 69670) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, and for scholarship awards under provisions of Section 4709 of the Labor Code, Student Aid Commission.
3. Upon order of the Director of Finance, the State Controller shall transfer funds as necessary between categories (a) through (f) to accommodate program changes, not sooner than 30 days after written notification by the Director of Finance of the necessity therefor to the Joint Legislative Budget Committee, or not sooner than whatever lesser time the committee, or its designee, may in each instance determine.
4. If federal trust funds for the 1984–85 fiscal year exceed budgeted levels, the funds appropriated shall, to the extent allowable by federal law, be reduced on a dollar-per-dollar basis.
5. Eligibility for money appropriated by this item is limited to students who demonstrate financial need according to nationally accepted needs analysis methodologies, who meet other Student Aid Commission eligibility criteria, and whose income or family's gross income does not exceed the ceilings established by the Student Aid Commission for recipients for the 1983–84 award year.

7980-101-890—For local assistance, Student Aid Commission, to be transferred to Item 7980-101-001, payable from the Federal Trust Fund 11,670,000

8100-001-001—For support of the Office of Criminal Justice Planning 2,349,000

Schedule:

(a) 100000-Personal Services 2,184,000

(b) 300000-Operating Expenses and Equipment 1,551,000

Item	Amount
(c) Amount payable from the Federal Trust Fund (Item 8100-001-890) ..	−374,000
(d) Amount payable from Chapter 917, Statutes of 1980	−35,000
(e) Amount payable from Local Public Prosecutors and Public Defenders Training Fund (Item 8100-001-241)	−68,000
(f) Amount payable from Victim Witness Assistance Fund (Item 8100-001-425)	−909,000

Provisions:

1. Funds scheduled for the Gang Violence Suppression Program shall be available for expenditure only if the Office of Criminal Justice Planning makes available federal matching dollars such that the total program expenditure is 25 percent federal funds and 75 percent state funds.
2. Of the funds appropriated in this item, $90,000 shall be available to conduct three regional neighborhood watch leadership and training conferences. One conference shall be held in southern California, one shall be held in central California, and one shall be held in northern California. The conferences shall be sponsored by the Office of Criminal Justice Planning in cooperation with the Department of Justice. The conferences shall include the dissemination of information on the identification and prevention of domestic violence, including child abuse.

8100-001-241—For support of the Office of Criminal Justice Planning, to be transferred to Item 8100-001-001, payable from the Local Public Prosecutors and Public Defenders Training Fund	68,000
8100-001-425—For support of the Office of Criminal Justice Planning, to be transferred to Item 8100-001-001, payable from the Victim/Witness Assistance Fund	909,000
8100-001-890—For support of the Office of Criminal Justice Planning, to be transferred to Item 8100-001-001 payable from the Federal Trust Fund	374,000
8100-011-890—For support of the Office of Criminal Justice Planning, allocation of federal grants, payable from Federal Trust Fund	1,500,000

Item		Amount
8100-101-001—For local assistance, Program 50, Local Project Awards, Office of Criminal Justice Planning		10,575,000
(a) 50.10—California Career Criminal Prosecution Program, to be allocated pursuant to Chapter 2.3 (commencing with Section 999b) of Title 6 of Part 2 of the Penal Code	4,112,000	
(b) 50.20—California Career Criminal Apprehension Program	2,500,000	
(c) 50.50—California Community Crime Resistance Program, to be allocated pursuant to Chapter 5 (commencing with Section 13840) of Title 6 of Part 4 of the Penal Code	1,303,000	
(d) 50.55—Suppression of Drug Abuse in Schools Program	1,910,000	
(e) 50.65—California Gang Violence Suppression Program	750,000	

Provisions:

1. The amount appropriated in Schedule (a) shall only be awarded to local governmental entities which provide a minimum 10 percent local cash match for the State General Fund amount allocated.
2. Funds scheduled for the Gang Violence Suppression Program shall be available for expenditure only if the Office of Criminal Justice Planning makes available federal matching dollars so that the total program expenditure is 25 percent federal funds and 75 percent state funds.
3. Of the funds appropriated in category (c), $200,000 shall be available for projects which have a major emphasis on domestic violence.
4. Of the funds appropriated in category (c), $150,000 shall be available for a demonstration project by the United Community and Housing Development Corporation to provide technical assistance to volunteer anticrime patrols. The Office of Criminal Justice Planning shall evaluate the effectiveness of the program and shall submit its findings prior to the hearings on the 1985–86 Budget Bill. The Office of Criminal Justice Planning may transfer up to $7,500 from category (c) to support its administrative activi-

Item		Amount
ties.		
8100-101-241—For local assistance, Office of Criminal Justice Planning, Program 50.80-Prosecutor and Public Defender Training, payable from the Local Public Prosecutors and Public Defenders Training Fund		495,000
Provision:		
1. This item is in lieu of the appropriation made by Penal Code Section 11503.		
8100-101-425—For local assistance, Program 50, Office of Criminal Justice Planning, payable from the Victim/Witness Assistance Fund		10,570,000
8100-101-890—For local assistance, Office of Criminal Justice Planning, payable from the Federal Trust Fund		4,380,000
Schedule:		
(a) 50.70-Local Project Awards	4,000,000	
(b) 50.40.030-Rape Prevention Program	380,000	
8120-001-268—For support of Commission on Peace Officer Standards and Training, payable from the Peace Officers' Training Fund		4,405,000
Schedule:		
(a) 100000-Personal Services	3,169,000	
(b) 300000-Operating Expenses and Equipment	1,236,000	
8120-011-268—For support of Commission on Peace Officer Standards and Training, payable from the Peace Officers' Training Fund		1,560,000
Provisions:		
1. Funds are to be used for contractual services in support of local training programs, pursuant to Section 13503(c) of the Penal Code.		
2. Funds may be transferred between this item and Item 8120-101-268 in order to meet the needs of local training programs.		
8120-101-268—For local assistance, Commission on Peace Officer Standards and Training, Program 30, for allocation to cities, counties and cities and counties, pursuant to Section 13523 of the Penal Code, payable from the Peace Officers' Training Fund		27,439,000
Provisions:		
1. Funds may be transferred between this item and Item 8120-011-268 in order to meet the needs of local training programs.		
8140-001-001—For support of State Public Defender, Program 10		8,025,000

Item		Amount
8160-111-001—For local assistance, Assistance to Counties for Defense of Indigents, for payment by the Controller		4,775,000
Schedule:		
(a) 10-Section 987.6 of the Penal Code, Public Defender Assistance	775,000	
(b) 20-Section 987.9 of the Penal Code, Capital Case Defense Preparation	4,000,000	
Provisions:		
1. Claims for prior years costs may be paid from this item; and provided further, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.		
8180-101-001—For local assistance, Payment to Counties for Costs of Homicide Trials, for payment by the State Controller		1,000,000
Provisions:		
1. This item is for payment to counties for cost of homicide trials pursuant to Sections 15201 to 15203, inclusive, of the Government Code, Department of Finance provided, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.		
8190-001-001—For the payment of tort liability claims, settlements, compromises and judgments against the state, its officers, servants and employees of state agencies, departments, boards, bureaus or commissions supported from the General Fund, for expenditure by the Department of Justice, subject to approval of the Department of Finance in its discretion		600,000
Provisions:		
1. There is hereby appropriated from each fund, other than the General Fund, an amount sufficient for payment of tort liability claims, settlements, compromises and judgments against the state, its officers, servants and employees of state agencies, departments, boards, bureaus or commissions, arising from activities supported from such fund; provided, that no expenditure from any such appropriation from a fund other than the General Fund for payment of tort liability claims, settlements, compromises and judgments shall be made unless approved by the Department of Finance in its discretion.		

Item		Amount
2. Expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.		
8200-001-001—For support of Commission for Economic Development		479,000
Schedule:		
(a) 100000-Personal Services	316,000	
(b) 300000-Operating Expenses and Equipment	166,000	
(c) Reimbursements	−3,000	
Provisions:		
1. The commission shall work with the Department of Economic and Business Development and the advisory council to the department to avoid duplication of effort.		
8220-001-001—For support of Motion Picture Council		140,000
Schedule:		
(a) Operating Expenses and Equipment	90,000	
(b) Unallocated Increase	50,000	
Provisions:		
1. The amount appropriated by Schedule (b) shall be available for expenditure only if insufficient revenues are collected by the Motion Picture Council to fully fund Item 8220-001-942 and the Director of Finance determines that this amount is necessary for the Motion Picture Council to properly carry out its activity.		
2. Of the amount appropriated by this item, $40,000 shall be available for consultant services for the purpose of locating and cataloguing materials and memorabilia for acquisition by or donation to a state motion picture museum.		
3. Of the amount appropriated by this item, $50,000 shall be available for the purpose of conducting a study of the motion picture industry.		
8220-001-942—For support of Motion Picture Council, payable from the Motion Picture Council Account, Special Deposit Fund		200,000
Schedule:		
(a) 100000-Personal Services	104,000	
(b) 300000-Operating Expenses and Equipment	96,000	
8260-001-001—For support of California Arts Council		2,257,000
Schedule:		
(a) 100000 Personal services	1,634,000	
(b) 300000 Operating expenses and equipment	623,000	

Item Amount

Provisions:

1. One and one-half positions (One Director's Special Assistant and one-half Office Assistant) shall be redirected to provide outreach activities for enhancing accessibility for minority and ethnic artists and art organizations. This program shall be centered in the Los Angeles office of the council.

8260-001-890—For support of the California Arts Council, payable from the Federal Trust Fund 39,000

8260-101-001—For local assistance, California Arts Council for grants and subventions 9,570,000

Provisions:

1. Funds appropriated for the local organization development, and support to prominent organizations program elements shall not be expended unless the grant recipient provides a dollar-for-dollar cash match; provided that for grants to individual artists, no matching funds shall be required.
2. Of the funds appropriated by this item in excess of $6,570,000, 24 percent shall be allocated to the Artists in Residence Program and 76 percent shall be allocated to the Organizational Grants Program.
3. The council shall notify the Chairperson of the Joint Legislative Budget Committee regarding the council's proposed expenditure of funds appropriated by this item for the Interagency Arts Program at least 30 days prior to expenditure therefor.
4. Of the funds appropriated by this item, 5 percent shall be expended for a new program for the support of ethnic and minority art organizations and artists. The council shall not exclude such organizations and artists from eligibility for grants under existing programs.

8260-101-890—For local assistance, California Arts Council payable from the Federal Trust Fund..... 848,000

Schedule:

Provisions:

1. Any organization applying for a grant under the support to prominent organizations element of the organizational grants program may not receive a grant under the artistic and administrative development element of the organizational grants program.

Item Amount

2. Any organization applying for a grant under the artistic and administrative development element of the organizational grants program may not receive a grant under the support to prominent organizations element of the organizational grants program.
3. Funds appropriated for the artistic and administrative development and support to prominent organizations program elements shall not be expended unless the grant recipient provides a dollar for dollar cash match; provided, that for grants to individual artists no matching funds shall be required.

8280-001-001—For support of Native American Heritage Commission 220,000

Schedule:

(a) 100000-Personal Services	151,000
(b) 300000-Operating Expenses and Equipment	99,000
(c) Reimbursements	−30,000

8290-001-001—For support of the California Public Broadcasting Commission 4,000,000

Schedule:

(a) 100000-Personal Services	259,000
(b) 300000-Operating Expenses and Equipment	319,000
(c) Grants to Public Broadcasting Stations.....	3,422,000

Provisions:

1. Notwithstanding the provisions of Section 8836 of the Government Code, funds made available under category (c) are to be allocated by the California Public Broadcasting Commission without a required reserve for local community broadcast operations.
2. Of the amount appropriated under category (c), no less than $1,000,000 shall be allocated to minority-operated public broadcast facilities.
3. Of the amount appropriated under this item, $210,000 shall be dedicated to assisting independent producers of public broadcasting programs, to be allocated by an independent producers peer review panel. If this item is reduced, funds allocated for independent producers shall be reduced proportionately to the overall item reduction.

8300-001-001—For support of Agricultural Labor Relations Board 8,606,000

Item	Amount
Schedule:	
(a) 10-Board Administration	4,649,000
(b) 20-General Counsel Administration	3,957,000
(c) 30.01-Administrative Services	699,000
(d) 30.02-Distributed Administrative Services	−699,000

Provisions:

1. The board shall establish a special compliance enforcement unit under the direction of the Executive Secretary. The unit shall consist of eight field examiners, six attorneys, and two clericals and these 16 positions shall be in addition to the positions authorized in the 1984–85 budget as proposed. The compliance enforcement unit shall be charged with eliminating backlogged compliance cases and shall report on its progress to the Joint Legislative Budget Committee by January 30, 1985, and June 30, 1985.
2. The board shall establish a unit consisting of one attorney and one field examiner, under the direction of the Executive Secretary, which shall (a) develop and complete a compliance manual, (b) establish workload standards, and (c) implement a computerized tracking system for all compliance, unfair labor practices, and elections cases before the board. These two positions shall be in addition to the positions authorized in the 1984–85 budget as proposed. The board shall report on the unit's progress to the Joint Legislative Budget Committee by January 1, 1985.
3. The board shall assign one additional attorney to each board member who has only one attorney. These positions shall be in addition to the positions authorized in the 1984–85 budget as proposed.
4. The board shall assign two additional attorneys to the Executive Secretary to handle elections objections. These two positions shall be in addition to the positions authorized in the 1984–85 budget as proposed.
5. The board shall assign two additional attorneys to the Solicitor to handle appeals. These two positions shall be in addition to the positions authorized in the 1984–85 budget as proposed.
6. The board shall reduce funds allocated to its administrative services unit by $95,000 and one Staff Services Manager I position shall be deleted as a part of the reduction.

Item		Amount
8320-001-001—For support of Public Employment Relations Board		4,959,000
Schedule:		
(a) 10-Dispute Resolution	4,045,000	
(b) 20-Representation	914,000	
(c) 30.01-Administration	992,000	
(d) 30.02-Distributed Administration	−992,000	

8320-490—Reappropriation, Public Employment Relations Board. Notwithstanding any other provisions of law, on the effective date of this act, the unencumbered balances, or a portion thereof as may be specified in this section, of the appropriations provided in the following citations, are reappropriated for the purposes provided for in such appropriations and any additional purposes provided for in this section, and shall be available for expenditure until June 30, 1985:

General Fund:

(1) Item 375, Budget Act of 1979, for support of the Public Employment Relations Board under Item 8320-001-001, not to exceed $80,000.

Provisions:

1. None of the funds reappropriated by category (1) for transfer to Item 8320-001-001 shall be transferred to Item 8320-001-001 unless and until authorized in writing by the Department of Finance.

8350-001-001—For support of Department of Industrial Relations		86,832,000
Schedule:		
(a) 10-Regulation of Workers' Compensation Self-Insurance Plans	1,232,000	
(b) 20-Conciliation of Employer-Employee Disputes	1,590,000	
(c) 30-Preventing, Settling, Adjudicating and Administrating Disputes under Workers' Compensation Laws	39,594,000	
(d) 40-The Prevention of Industrial Injuries and Deaths of California Workers	16,096,000	
(e) 50-Enforcement and Promulgation of Laws Relating to Wages, Hours, and Conditions of Employment, and Licensing and Adjudication	18,849,000	
(f) 60-Promotion, Development and Administration of Apprenticeship and other on-the-job training	4,536,000	

Item	Amount
(g) 70-Labor Force Research and Data Dissemination	1,766,000
(h) 80-Payment of claims, wages, and contingencies for transfer to the Uninsured Employers Fund	6,216,000
(i) 94.01-Administration	9,475,000
(j) 94.02-Distributed Administration	−9,475,000
(k) Reimbursements	−3,047,000

Provisions:

1. Of the funds appropriated by category (c), $1,000,000 shall be expended on a priority basis by filling all vacant referee teams in Long Beach, Ventura, and Los Angeles, and by adding a referee team in Salinas before these funds are expended for other referee teams.
2. The Workers' Compensation Appeals Board shall develop workload standards so that it may evaluate the productivity of its workers' compensation judges. After it has developed these workload standards and required workers' compensation judges to be scheduled in hearings at least 24 hours per week, the division shall review the allocation of workers' compensation judges among its district offices and transfer positions from offices that appear to be overstaffed to offices that are understaffed.
3. Of the positions authorized in category (d) and allocated to the Elevator Inspection Unit, two Associate Safety Engineer positions, one Office Services Supervisor I position, and one Office Technician position shall be limited to a term of two years.
4. Funds approved for the Division of Occupational Safety and Health, and allocated to the Research and Standards Development Unit for the purpose of developing standards for conditions and substances posing a threat to worker health and safety shall be allocated first to the development of standards for substances or conditions which pose the greatest or most imminent potential health or safety risk.
5. Of the amount appropriated in category (e), Program 50, $235,000 shall be used to provide computer equipment in each district office of the Division of Labor Standards Enforcement for purposes of automating the division's management information system.

Item		Amount
8350-001-023—For support of Department of Industrial Relations, payable from the Farm Labor Contractor's Special Account		50,000
8350-001-216—For support of Department of Industrial Relations, Program 50, Enforcement and Promulgation of Laws Relating to Wages, Hours, and Conditions of Employment, and Licensing and Adjudication, Payable from the Industrial Relations Construction Industry Enforcement Fund		529,000
8350-001-452—For support of Department of Industrial Relations, Program 40, The Prevention of Industrial Injuries and Deaths of California Workers, payable from the Elevator Safety Inspection Account, General Fund		2,244,000
8350-001-453—For support of Department of Industrial Relations, Program 40, The Prevention of Industrial Injuries and Deaths of California Workers, payable from the Pressure Vessel Inspection Account, General Fund		3,264,000
8350-001-571—For support of Department of Industrial Relations, payable from the Employee's Account, Uninsured Employer's Fund		7,116,000
8350-001-572—For support of Department of Industrial Relations, payable from the Asbestos Workers Account, Uninsured Employer's Fund		864,000
8350-001-890—For support of Department of Industrial Relations payable from the Federal Trust Fund		18,428,000
Schedule:		
(a) 40-The Prevention of Industrial Injuries and Death to California Workers	16,767,000	
(b) 50-Enforcement and Promulgation of Laws Relating to Wages, Hours, Conditions of Employment, and Licensing and Adjudication	219,000	
(c) 60-Promotion, Development and Administration of Apprenticeship and other on-the-job training	426,000	
(d) 70-Labor Force Research and Data Dissemination	1,016,000	
8350-301-036—For minor capital outlay, Department of Industrial Relations, payable from the Special Account for Capital Outlay		46,000
8380-001-001—For support of the Department of Personnel Administration		2,551,000
Schedule:		
(a) 100000-Personal Services	4,123,000	

Item		Amount
(b) 300000-Operating Expenses and Equipment	1,436,000	
(c) Reparation payments	373,000	
(d) Reimbursements	−2,991,000	
(e) Amount payable from the Deferred Compensation Plan Fund (Item 8380-001-915)	−390,000	

Provisions:

1. $373,000 of the funds appropriated for category (c) are for reparation of salary losses during 1942–47 by persons dismissed from State Civil Service as a result of Chapter 49, Statutes of California, passed at the First Extra Session of the Fifty-Fourth Legislature, 1941–1942 (SCR 15).
2. $38,000 of the funds appropriated for category (b) are for data processing equipment and shall not be expended until a data processing master plan is approved by the Department of Finance.
3. $17,000 of the funds appropriated for category (b) are for facilities operation and shall not be expended unless and until the need for additional space is certified by the Division of Space Management in the Department of General Services and the encumbrance of these funds is authorized by the Department of Finance.
4. On or before January 1 of each year, the Department of Personnel Administration shall submit to the Legislature a report containing the department's findings relating to classifications which have a high vacancy or turnover rate, or both.

8380-001-915—For support of the Department of Personnel Administration, to be transferred to Item 8380-001-001, payable from the Deferred Compensation Plan Fund		390,000
8450-001-001—For support of Workers' Compensation Benefit Program, for payment of the additional compensation for subsequent injuries provided for by Sections 4750 through 4755 of the Labor Code		4,135,000
Schedule:		
(a) Payment of Claims	3,169,000	
(b) Support, State Compensation Insurance Fund	263,000	
(c) Pre-Litigation Expenses	150,000	
(d) For Transfer to Item 8350-001-001, Support, Department of Industrial Relations	553,000	

Item Amount

Provisions:

1. This item shall not be construed as a limitation on expenditures provided by Item 8450-001-016.
2. The amount available from this item shall not be available for expenditure at any time that funds appropriated by Item 8450-001-016 are available for expenditure.
3. At the end of fiscal year 1984–85, any expenditures made from the General Fund against this appropriation item shall be reduced by any amounts remaining available from the funds appropriated by Item 8450-001-016.

8450-001-016—For payment of workers' compensation benefits for subsequent injuries, payable from the account for Subsequent Injuries Moneys, General Fund 2,081,000

8460-101-001—For local assistance, Disaster Service Workers 415,000

Provisions:

1. This item is for furnishing of workers' compensation to disaster service workers and their dependents, in accordance with the provisions of Section 3201 through 6002 of the Labor Code, including the reimbursing of the State Compensation Insurance Fund for the cost of services as adjusting agent, Governor's Office, Office of Emergency Services. The State Compensation Insurance Fund may draw from the State Treasury out of the appropriation made by this item, without at the time presenting vouchers and itemized statements, any portion of the appropriation contained in this item, to be used as a cash revolving fund. Expenditures made from the revolving fund in payment of claims for workers' compensation and adjusting services are excepted from the operation of Section 925.6 of the Government Code. Reimbursement of the revolving fund for such expenditures shall be made upon presentation to the State Controller of an abstract or statement of such expenditures. Such abstract or statement shall be in such form as the State Controller requires.

8500-001-152—For support of Board of Chiropractic Examiners, Program 10, payable from the State Board of Chiropractic Examiners Fund 687,000

8510-001-264—For support of Board of Osteopathic Examiners of the State of California, Program 10, payable from the Contingency Fund of the Board of Osteopathic Examiners 352,000

Item		Amount
Provisions:		
1. No funds appropriated by this item may be used to support the board's legal actions against seating two public members on the board.		
8530-001-290—For support of Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun, Program 10, payable from the Board of Pilot Commissioners' Special Fund		80,000
8540-001-114—For support of California Auctioneer Commission, Program 10, payable from the Auctioneer Commission Special Fund		115,000
8550-001-191—For support of California Horse Racing Board, payable from the Fair and Exposition Fund		1,591,000
Schedule:		
(a) 100000-Personal Services	2,137,000	
(b) 300000-Operating Expenses and Equipment	950,000	
(c) Special item of expense	1,650,000	
(d) Reimbursements	−1,070,000	
(e) Amount payable from the California Standardbred Sires Stakes Fund Account, Special Deposit Fund pursuant to the Business and Professions Code, Section 19619(e)	−1,700,000	
(f) Amount payable from the Racetrack Security Account, Special Deposit Fund (Item 8550-001-942)	−376,000	
Provisions:		
1. Of the amount appropriated by this item, the unexpended balance, if any, shall revert to the General Fund.		
2. Of the amount appropriated in this item, up to $323,000 shall be available for expenditure no sooner than 30 days after the California Horse Racing Board submits an amended Feasibility Study Report of the automated record keeping system to the Joint Legislative Budget Committee. The amended Feasibility Study Report shall not be submitted to the committee until the Department of Finance's Office of Information Technology (OIT) has reviewed and approved the amended report. The amount appropriated by this item shall be reduced by the amount of any difference between $323,000 and the amount found to be needed by the amended Feasibility Study Report.		

Item	Amount
8550-001-942—For support of the California Horse Racing Board, to be transferred to Item 8550-001-191, payable from the Racetrack Security Account, Special Deposit Fund	376,000
8550-011-942—Notwithstanding Section 19641(b)(1) of the Business and Professions Code, there is hereby transferred to the General Fund the unencumbered balance of the Racetrack Security Account, Special Deposit Fund, as of June 30, 1984	(1,024,000)
8560-001-001—For payment of principal and interest on revenue bonds to meet the provisions of Section 15849 of the Government Code	1,130,000
8560-001-466—For support of California Exposition and State Fair, operating expenses and equipment, law enforcement activities, payable from the State Fair Police Special Account	12,000
8560-011-001—For support of California Exposition and State Fair, provided that the expenditures from the appropriation made by this item shall not exceed those operating revenues deposited in the General Fund by the California Exposition and State Fair	7,993,000

(a) 100000-Personal Services 4,296,000
(b) 300000-Operating expenses and equipment 4,462,000
(c) Amount payable from the Fair and Exposition Fund ..... −265,000
(d) Reimbursements ..... −500,000

Provisions:

1. The amount appropriated by subdivision (a) of Section 19622 of the Business and Professions Code shall be transferred by the State Controller to this item.
2. The Director of Finance may authorize the augmentation of the total amount available for expenditure under this item in the amount of revenue received by the California Exposition and State Fair which is additional to the revenue appropriated by this item, not sooner than 30 days after notification in writing to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the respective fiscal committees, the Speaker of the Assembly, and the President pro Tempore of the Senate. This provision shall apply only to revenue deposited in the State Treasury or to future receivables based upon obligations for specified amounts as a result of finalized contracts.

Item		Amount
8560-021-001—For the California Exposition and State Fair, for advance authority for the department to incur obligations for entertainment in an amount not to exceed $300,000 for the 1985 California State Fair, payable from the General Fund, and available for encumbrance only until June 30, 1986		(300,000)
8560-301-036—For minor capital outlay, California Exposition and State Fair, payable from the Special Account for Capital Outlay		179,000
8570-001-001—For support of Department of Food and Agriculture		43,739,000
Scheduled:		
(a) 10-Pesticide Regulatory Program	8,053,000	
(ax) 10-Pesticide Regulatory Programs—one-time purchase of four gas chromatographs	160,000	
(b) 20-Plant Pest and Disease Prevention	18,370,000	
(c) 25-Animal Pest and Disease Prevention/Inspection Services	9,554,000	
(d) 30-Agricultural Marketing Services	3,636,000	
(e) 40.10-Food and Agricultural Standards and Inspection Services	1,237,000	
(f) 50-Measurement Standards	1,885,000	
(h) 70.01-Exec. Mgmt and Admin Svcs	6,519,000	
(i) 70.02-Distributed Exec. Mgmt and Admin. Svcs.	−6,347,000	
(j) Reimbursements	−808,000	
(k) 80-Gen. Agriculture Activities and Emergency Funding	180,000	
(kx) 80-General Agricultural Activities—agricultural energy and technology project	1,000,000	
(*l*) 97-Special Allotment—Unemployment Ins. Claims	300,000	

Provisions:

1. Of the amount appropriated in schedule (d), $104,000 shall be made available to support a study on food distribution.
2. Of the amount appropriated in category (b), up to $50,000 shall be available to support expenditures related to the predator program trapping activities in Sonoma County.
3. Any administrative expenses incurred by the Department of Food and Agriculture relating to the administration of the energy and technology project in category (kx) shall be paid from the $1,000,000 appropriated for the project.

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4. Up to $85,000 of the funds appropriated in category (b) may be transferred to project (1) of Item 8570-301-036 for the improvements at the Blythe border inspection station.		
8570-001-111—For support of Department of Food and Agriculture, payable from the Agricultural Fund		8,898,000
Schedule:		
(a) 10-Pesticide Regulatory Program	4,955,000	
(b) 20-Plant Pest and Disease Prevention	927,000	
(c) 25-Animal Pest and Disease Prevention/Inspection Services	1,612,000	
(d) 40.10-Food and Agricultural Standards and Inspection Services	2,000	
(e) 50-Measurement Standards	12,000	
(f) 80.30-Unclaimed Gas Tax—Emergency Fund and Administration	1,392,000	
(g) Reimbursements	−2,000	
8570-001-191—For support of Department of Food and Agriculture, payable from the Fair and Exposition Fund		967,000
Schedule:		
(a) Program 60—Financial and Administrative Assistance to Local Fairs	967,000	
8570-001-890—For support of Department of Food and Agriculture, payable from the Federal Trust Fund		1,530,000
Schedule:		
(a) 10-Pesticide Regulatory Program	466,000	
(b) 20-Plant Pest and Disease Prevention	86,000	
(c) 25-Animal Pest and Disease Prevention/Inspection Services	263,000	
(d) 30-Agricultural Marketing Services	60,000	
(e) 40-Food and Agricultural Standards and Inspection Services	619,000	
(f) 50-Measurement Standards	36,000	
8570-011-112—Department of Food and Agriculture, payable from the Agricultural Pest Control Research Account		1,050,000
Schedule:		
(a) Pesticide alternative research	550,000	
(b) Exotic pest research	500,000	
Provisions:		
1. The funds appropriated in this item shall be available to support the costs related to AB 2635 of the 1983–84 Regular Session of the Legislature, if AB 2635 is enacted.		

Item		Amount
8570-101-001—For local assistance, Department of Food and Agriculture		8,404,000
Schedule:		
(a) 10-Pesticide Regulatory Program	2,881,000	
(b) 20-Plant Pest and Disease Prevention	5,523,000	
8570-101-111—For local assistance, Department of Food and Agriculture, payable from the Agricultural Fund		6,122,000
Schedule:		
(a) 10-Pesticide Regulatory Program	4,667,000	
(b) 80-General Agricultural Payments and Emergencies Fund	1,455,000	
8570-101-191—For local assistance, Department of Food and Agriculture, Financial and Administrative Assistance to Local Fairs, payable from the Fair and Exposition Fund		625,000
Schedule:		
(a) 60.20.001-Unemployment insurance and benefits for local fairs	400,000	
(b) 60.20.002-Premiums, cost of judges' conference, and vocational education pursuant to Section 19627.2 of the Business and Professions Code	225,000	

Provisions:

1. The funds in schedule (a) of this item are appropriated for the contributions, or the cost of benefits in lieu of contributions, payable from the Fairs and Exposition Fund to the Unemployment Fund by all entities conducting fairs, including county, district, combined county and district, and citrus fruit fairs receiving funds pursuant to Division 8 of the Business and Professions Code, as a result of unemployment insurance coverage pursuant to Section 605 of the Unemployment Insurance Code.
2. Funds appropriated in schedule (a) of this item may be used to pay unemployment benefits or insurance costs incurred by local fairs during the 1979–80 fiscal year or any fiscal year thereafter.

8570-111-001—For local assistance, Department of Food and Agriculture, Program 80—General Agricultural Payments and Emergencies Fund		383,000

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Provisions:

1. The funds in this item are also available for compensation for services performed for agricultural departments and are to be expended in accordance with the provisions of Sections 2221 to 2224, inclusive, of the Food and Agricultural Code.

8570-301-036—For capital outlay, Department of Food and Agriculture, payable from the Special Account for Capital Outlay 3,215,000

Schedule:

(1)	90.90-Minor Projects	113,000
(2)	90.30.060-Davis Vet Laboratory—preliminary plans and working drawings	510,000
(3)	90.11.010-Long Valley Inspection Station—preliminary plans, working drawings and construction	283,000
(4)	90.19.050-Truckee Border Inspection Station—preliminary plans, working drawings and construction to install sewer line	114,000
(5)	90.10.010-Hornbrook Border Inspection Station—preliminary plans, working drawings and construction	1,656,000
(6)	90.09.020-Dorris Border Inspection Station—Acquisition, preliminary plans, working drawings and construction	539,000

Provisions:

1. No funds appropriated for project (2) shall be expended for working drawings unless the Regents of the University of California name the veterinary diagnostic laboratory to be constructed on the University of California Davis campus the John E. Thurman, Veterinary Laboratory.

8640-001-001—For support of Political Reform Act of 1974 (Proposition 9), the following sums are hereby appropriated to, and in augmentation of, the following agencies and officers for the administration, investigation and regulation of the political campaigns, officials, and lobbyists 1,731,000

Schedule:

(a)	10-Secretary of State	569,000
(b)	20-Franchise Tax Board	908,000
(c)	30-Attorney General	263,000
(d)	40-Fair Political Practices Commission	(2,047,000)

Item		Amount
(e) Reimbursements	−9,000	
Provisions:		
1. The funds appropriated in the following schedules are to be transferred by the State Controller as listed below:		
Schedule (a) transferred to Item 0890-001-001		
Schedule (b) transferred to Item 1730-001-001		
Schedule (c) transferred to Item 0820-001-001		
8660-001-042—For support of Public Utilities Commission, to be transferred to Item 8660-001-412, payable from the State Highway Account, State Transportation Fund		1,070,000
8660-001-046—For support of Public Utilities Commission, to be transferred to Item 8660-001-412, payable from the Transportation Planning and Development Account, State Transportation Fund		1,334,000
8660-001-315—For support of Public Utilities Commission, to be transferred to Item 8660-001-412, payable from the Radiotelephone Utility Rate Fund		97,000
8660-001-412—For support of Public Utilities Commission, payable from the Transportation Rate Fund		12,791,000
Schedule:		
(a) 100000-Personal Services	35,538,369	
(b) 300000-Operating Expenses and Equipment	13,567,631	
(c) Reimbursements	−4,385,000	
(d) Amount payable from the State Highway Account, State Transportation Fund (Item 8660-001-042)	−1,070,000	
(e) Amount payable from the Transportation Planning and Development Account, State Transportation Fund (Item 8660-001-046)	−1,334,000	
(g) Amount payable from the Radiotelephone Utility Rate Fund (Item 8660-001-315)	−97,000	
(h) Amount payable from the Public Utilities Commission Transportation Reimbursement Account, General Fund (Item 8660-001-461)	−2,871,000	
(i) Amount payable from the Public Utilities Commission Utilities Reimbursement Account, General Fund (Item 8660-001-462)	−26,357,000	
(j) Amount payable from the Federal Trust Fund (Item 8660-001-890)	−183,000	

Item	Amount
(k) Amount payable from the Universal Telephone Service Fund pursuant to Section 44181 of the Revenue and Taxation Code	−18,000

Provisions:

1. The reduction of $3,000 relating to the proposed purchase of audio/visual editing equipment is exempt from Section 13332.15 of the Government Code.
2. Of the amount appropriated in category (b), $95,000 budgeted for equipment in support of the changes in the communications industry shall not be expended prior to the approval of a feasibility study by the Department of Finance.
3. Of the amount appropriated in category (b), $250,000 budgeted for word processing or data processing equipment may be expended no sooner than 30 days after the Department of Finance notifies the Joint Legislative Budget Committee of its approval of a feasibility study report.
4. Of the amount appropriated above, $70,000 in category (a) and $20,000 in category (b), budgeted for Compilation of Rules, shall not be expended unless AB 3391 of the 1983–84 Regular Session is enacted.

8660-001-461—For support of Public Utilities Commission, to be transferred to Item 8660-001-412, payable from the Public Utilities Commission Transportation Reimbursement Account, General Fund	2,871,000
8660-001-462—For support of Public Utilities Commission, to be transferred to Item 8660-001-412, payable from the Public Utilities Commission Utilities Reimbursement Account, General Fund	26,357,000
8660-001-890—For support of Public Utilities Commission, to be transferred to Item 8660-001-412, payable from the Federal Trust Fund	183,000
8700-001-001—For support of State Board of Control ..	777,000

Schedule:

(a) 21-Hazardous Substance Claims....	43,000
(b) 31-Civil Claims Against the State	620,000
(c) 41-Local Mandated Cost Claims ..	232,000
(d) 51.01-Administration.....	256,000
(e) 51.02-Distributed Administration..	−256,000
(f) Reimbursements.....	−118,000

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Provisions:

1. The Board of Control shall not routinely notify all local agencies and school districts regarding its proceedings. However, for each of its meetings the board shall notify all parties whose claims or proposals are scheduled for consideration and any party requesting notice of such proceedings.

8700-001-214—For support of State Board of Control Program 11.20.010—Victims of Crimes, for Board of Control support services pursuant to Chapter 5 (commencing with Section 13959) of Part 4 of Division 3 of Title 2 of the Government Code, payable from the Restitution Fund 2,841,000

Provisions:

1. The Board of Control shall report to the Joint Legislative Budget Committee within 30 days after the end of each quarter of the fiscal year during which the Victims of Violent Crimes claims backlog increases.

8730-001-001—For support of Commission on State Finance 549,000

8780-001-001—For support of Commission on California State Government Organization and Economy 635,500

8800-001-001—For support of memberships 372,300

Schedule:

(a)	Council of State Governments.....	178,300
(b)	National Conference of State Legislatures.....	194,000

8820-001-001—For support of Commission on the Status of Women 605,900

Schedule:

(a)	100000-Personal Services	387,100
(b)	300000-Operating Expenses and Equipment	236,800
(1)	Commission on the Status of Women.....	156,900
(2)	Comparable Worth Task Force....	79,900
(c)	900000—Reimbursements	−18,000

Provisions:

1. The Comparable Worth Task Force (established by ACR 37, Resolution Chapter 111 of 1983) shall be housed in the California Commission on the Status of Women for the purpose of cooperatively addressing the issue of comparable worth. The Task Force shall have the authority to determine how funds budgeted for its operation shall be allocated, and to develop a work plan for

Item	Amount
the completion of its duties. The Task Force shall also have the authority to determine the procedural rules by which its business shall be conducted, including the authority to permit its members to designate proxy representation on the Task Force. In accordance with Section 7 of the Government Code, legislators serving on the Task Force may designate legislative staff as their authorized representatives.	
8860-001-001—For support of Department of Finance	22,030,000
Schedule:	
(a) 10-Annual Financial Plan	7,730,000
(b) 20-Program and Information System Assessments	5,314,000
(c) 30.10.001-CFIS Data Base	979,000
(d) 30.10.002-CALSTARS	5,215,000
(e) 30.10.004-Planning and Systems Support	273,000
(f) 30.20 through 30.50-Other Supportive Data Program Activities	2,811,000
(g) 40.01-Administration	2,899,000
(h) 40.02-Distributed Administration	−2,876,000
(i) Reimbursements	−315,000
Provisions:	
1. The funds appropriated for CFIS/CALSTARS (Programs 30.10.001 through 30.10.004) shall be transferred by the State Controller, upon order of the Department of Finance, or made available by the Department of Finance as a reimbursement, to other items and departments for CFIS/CALSTARS related activities by the Department of Finance.	
2. The funds appropriated in this Act for purposes of CALSTARS related data processing costs may be transferred between any items in this Act by the State Controller upon order of the Director of Finance. Any funds so transferred shall be used only for support of CALSTARS related data processing costs incurred.	
3. The funds appropriated in Programs 30.10.001 through 30.10.004 shall be used for support of activities provided for in Chapter 1284 of the Statutes of 1978.	

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4. Of the funds appropriated in this item, $400,000 may be expended for consulting services relating to telecommunications and data-processing security no sooner than 30 days after written notification is provided to the fiscal committees and the Joint Legislative Budget Committee (JLBC) or whatever lesser time the Chairperson of the JLBC shall determine.
5. No electronic data processing projects may be given sole source approval any sooner than 30 days after written notification of intention to grant sole source approval is provided to the fiscal committees and the Joint Legislative Budget Committee (JLBC) or any sooner than whatever lesser time the Chairperson of the JLBC shall determine.
6. Of the funds appropriated in this item for support of the Program Evaluation Unit (Program 20.10), $568,000 shall be expended no sooner than 30 days, or no sooner than whatever lesser time the chairperson of the Joint Legislature Budget Committee (JLBC) may determine, after the department submits to the legislative fiscal committees and to the JLBC a report on the unit's purpose, effectiveness, and accomplishments.
7. The Office of Information Technology (office) shall not have organizational responsibilities for the development or management of information technology programs, including the California Fiscal Information System (CFIS), within the Department of Finance (department). In addition, the office shall not be responsible for approving any data-processing systems within the department. The department shall not implement any change in systems which would have otherwise required approval by the office sooner than 30 days after notification in writing to the Chairperson of the Joint Legislative Budget Committee or whatever lesser time the chairperson of the Joint Legislative Budget Committee, or his or her designee may determine.

8910-001-001—For support of Office of Administrative Law 2,436,000

Schedule:

(a) 100000-Personal Services 1,971,000

(b) 300000-Operating Expenses and Equipment 465,000

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Provisions:

1. $100,000 of the amount appropriated for operating expenses and equipment is for consultant and professional services and shall not be expended until a contract to reformat the California Administrative Code is approved by the Department of General Services and the encumbrance is authorized by the Department of Finance.
2. The Office of Administrative Law shall provide quarterly reports to the Legislature on the status of existing Orders to Show Cause and any new Orders to Show Cause issued during the preceding quarter.
3. No funds appropriated by this act may be used to pay the salary of the Director of the Office of Administrative Law for any month that the office fails to meet its planned timeline submitted to the Legislature on May 9, 1984, concerning the implementation of the provisions of Section 11347.5 of the Government Code, and the implementation of the provisions of Section 11349.1 of the Government Code, unless the delays in implementation are due to public comment input.

8940-001-001—For support of Military Department 16,302,000

Schedule:

(a) 10-Army National Guard	12,534,000
(b) 20-Air National Guard	2,026,000
(c) 30.01-Office of the Adjutant General	3,983,000
(d) 30.02-Distributed Office of Adjutant General	−3,983,000
(e) 35-Military Support to Civil Authority	968,000
(f) 40-Military Retirement	1,873,000
(g) 71-California Innovative Military Projects and Career Training	885,000
(h) Reimbursements	−1,984,000

Provisions:

1. No expenditures shall be made from this appropriation as a substitution for personnel, equipment, facilities, or other assistance, or for any portion thereof, which in the absence of such expenditure, or of this appropriation, would be available to the Adjutant General of the State Military Forces, the California National Guard or the California National Guard Reserve from

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the federal government.

2. The appropriation for Program 40 shall be for military retirements, in accordance with the provisions of Sections 228 and 256 of the Military and Veterans Code, Military Department.
3. Expenditure authority for $608,000 in reimbursements from the Employment Development Department as provided in category (h) of this item, shall be offset by reimbursements from local agencies to the extent that the Military Department receives from such agencies' funds to offset costs scheduled in category (g) of this item.

8940-001-130—For support of the Military Department, Program 10, Army National Guard, payable from the AWOL Program Abatement Fund 2,000

Provisions:

1. Provided that funds shall be expended in accordance with the provisions of Chapter 563, Statutes of 1982.

8940-001-807—For support of the Military Department, payable from the Military Emergency Revolving Fund 100,000

Schedule:

(a) 35-Military Support to Civil Authority 100,000

Provisions:

1. The Military Emergency Revolving Fund is hereby created.
2. Upon expenditures of any of these funds, the department shall notify the Department of Finance within 5 days and the Director of Finance shall notify the Joint Legislative Budget Committee within 30 days.
3. Any reimbursements received for emergency services shall be deposited into the Military Emergency Revolving Fund and are hereby appropriated for expenditure.
4. For purposes of this item, "emergency" is defined pursuant to Section 8558 of the Government Code.

8940-001-890—For support of Military Department, payable from the Federal Trust Fund 12,204,000

Schedule:

(a) 10-Army National Guard 8,180,000
(b) 20-Air National Guard 4,024,000

8940-011-001—For support of the Military Department 90,000

Schedule:

(a) 10-Army National Guard 90,000

Item		Amount
Provisions:		
1. No expenditures shall be made from this appropriation until sufficient revenues or income from armories have been deposited into the State Treasury to the credit of the General Fund pursuant to the Military and Veterans Code Section 431 (c).		
8940-021-001—For transfer by the State Controller from the General Fund to the Military Emergency Revolving Fund, which is created by Item 8940-001-807, for support of the Military Department		100,000
8940-301-036—For capital outlay, Military Department, payable from the Special Account for Capital Outlay		1,440,000
Schedule:		
(1) 70.10-Project planning, working drawings and supervision of construction financed from federal funds	515,000	
(2) 70.90-Minor Projects	310,000	
(3) 70.20-Armory Building Fresno—construction	615,000	
Provisions:		
1. The funds provided in category 3 of this item are a loan, to be repaid to the Special Account for Capital Outlay from the first proceeds received by the Armory Fund from the disposal of unused armories. The repayment shall include interest at a rate to be established in accordance with Section 16314 of the Government Code. The Armory Fund is hereby appropriated to the extent necessary to repay this loan and interest.		
8940-301-890—For capital outlay, Military Department, payable from the Federal Trust Fund		4,091,000
Schedule:		
(1) 70.90-Minor Projects	64,000	
(2) 70.20-Armory Building Fresno—Construction	1,477,000	
(4) 70.50-Other federal construction funds	2,550,000	
9100-101-001—For local assistance, Tax Relief		847,786,000
Schedule:		
(a) 10-Senior Citizens' Property Tax Assistance	7,920,000	
(b) 20-Senior Citizens' Property Tax Deferral Program	9,300,000	
(c) 30-Senior Citizen Renters' Tax Assistance	32,130,000	

Item	Amount
(d) 50-Homeowners' Property Tax Relief	334,500,000
(e) 60-Subvention for Open Space	13,200,000
(f) 70-Payments to Local Government for Sales and Property Tax Revenue Loss	3,638,000
(g) 80-Renters' Tax Relief	447,000,000
(h) 90-Substandard Housing	98,000

Provisions:

1. Schedule (a) is for property tax assistance to homeowner claimants in accordance with the provisions of the Senior Citizens Property Tax Assistance and Postponement Law, Part 10.5 (commencing with Section 20501), of Division 2 of the Revenue and Taxation Code, Franchise Tax Board.

   Any unexpended balance in schedule (a) may be used to make payments to senior citizen renter claimants under schedule (c).
2. Schedule (b) is for property tax postponement and assistance to claimants, in accordance with the provisions of the Senior Citizens Property Tax Assistance and Postponement Law, Part 10.5 (commencing with Section 20501), Division 2 of the Revenue and Taxation Code, State Controller. The appropriation made by this schedule shall be in lieu of the appropriation for the same purpose contained in Section 16100 of the Government Code.
3. Schedule (c) is for property tax assistance to renter claimants, in accordance with the provisions of the Senior Citizens Property Tax Assistance and Postponement Law, Part 10.5 (commencing with Section 20501), of Division 2 of the Revenue and Taxation Code, Franchise Tax Board.

   Any unexpended balance in schedule (c) may be used to make payments to senior citizen homeowner claimants under schedule (a).
4. Schedule (d) is for reimbursement to local taxing authorities for revenue lost by reason of the homeowners' property tax exemption granted pursuant to subdivision (k) of Section 3 of Article XIII of the Constitution, Controller. The appropriation made by this schedule shall be in lieu of the appropriation required pursuant to Section 25 of Article XIII of the Constitution and the appropriation for the same purposes con-

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tained in Section 16120 of the Government Code.

5. Schedule (e) is for providing reimbursement to local taxing authorities for revenue lost by reason of the assessment of open-space lands under Sections 423, 423.3, and 423.5 of the Revenue and Taxation Code, and in accordance with the provisions of Chapter 3 (commencing with Section 16140) of Part 1 of Division 4 of Title 2 of the Government Code, State Controller. The appropriation made by this schedule shall be in lieu of the appropriation for the same purpose contained in Section 16100 or 16140 of the Government Code, and may not be augmented.
6. Schedule (f) is for reimbursement to local taxing authorities for revenue lost in accordance with the provisions of Sections 2229 and 2230 of the Revenue and Taxation Code, State Controller and, provided that the reimbursement for property tax revenue loss resulting from the restricted valuation of land under a wildlife habitat contract pursuant to Chapter 1165, Statutes of 1973, shall be based on a comparison between the value of the land computed pursuant to Section 423.7 of the Revenue and Taxation Code and the value of the land computed pursuant to Section 110.1 of the Revenue and Taxation Code.
7. Schedule (g) is for transfer by the Controller, as needed, to the Tax Relief and Refund Account, General Fund, for the purpose of providing credits and refunds to renters as required by Section 17053.5 of the Revenue and Taxation Code, Franchise Tax Board.
8. Schedule (h) is for transfer by the Controller to the Local Agency Code Enforcement and Rehabilitation Fund, for the purpose of providing funds to defray costs incurred in the enforcement of local housing code provisions and to fund housing rehabilitation programs for persons and families of low and moderate income as defined in Section 50093 of the Health and Safety Code, to be allocated to local agencies prorated on the basis of their share of disallowed deductions which resulted from the agencies' proceedings.

   This amount is in lieu of any statutory requirements.

9620-001-001—For payment of interest, on order of the Director of Finance, for any General Fund loan .. 1,000,000

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Provisions:

1. The Director of Finance, the Controller, and the Treasurer shall satisfy any need of the General Fund for borrowed funds in a manner consistent with the Legislature's objective of obtaining the lowest possible rate of interest on this borrowing.
2. If legislation is enacted during the 1983–84 Regular Session to provide state authority for short-term external borrowing, the state fiscal officers shall use external borrowing rather than borrowing from internal state funds whenever it is economically advantageous to the General Fund. Any surplus balance in this item resulting from the use of external borrowing shall revert to the unappropriated surplus of the General Fund.
3. In the event that interest expenses related to internal borrowing exceed the amount appropriated in this item, there is hereby appropriated any amounts necessary to pay the interest. Moneys appropriated herein shall not be expended prior to 30 days after the Department of Finance notifies the Joint Legislative Budget Committee of the amount(s) necessary or not sooner than such lesser time as the Chairperson of the Joint Legislative Budget Committee may determine.

9650-001-001—For the state's contribution for the cost of a health benefits plan and dental care premiums, for annuitants and other employees, in accordance with Sections 22825.7, 22828, 22829 and 22952 of the Government Code, or provided for in a memorandum of understanding pursuant to Section 3517.6 of the Government Code, which was agreed to prior to September 1, 1982, and which is not chargeable to any other appropriation 89,965,000

Schedule:

(a) Health benefit premiums 82,406,000

(b) Dental care premiums..... 7,559,000

9680-101-001—For local assistance, State mandated local programs, for reimbursement, in accordance with the provisions of subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, State Controller 75,990,000

Schedule:

Judicial Council

Item	Amount
(a) 02.50.135.576—Justice court judges	13,000
(ax) 02.50.139.976—Custody of minors	952,000
(b) 02.50.015.878—Court interpreters	10,000
(c) 02.50.074.378—Judicial Arbitration	1,250,000
(cx) 02.56.088.981—Lis pendens	17,800
Office of Emergency Services	
(d) 06.90.103.280—Teletype equipment	21,000
Department of Justice	
(e) 08.20.095.276—Marijuana records	93,000
(f) 08.20.046.278—Dental exams	33,000
Secretary of State	
(g) 08.90.045.474—Filing fees	375,000
(h) 08.90.070.475—Registration by mail	793,000
(hx) 08.90.140.176—Voter registration file purge	952,000
(hxx) 08.90.007.778—Absentee ballots	1,736,000
(hxxx) 08.90.049.479—Handicapped voter access	8,200
Franchise Tax Board	
(i) 17.30.021.874—Substandard housing	9,000
Public Employees Retirement System	
(j) 19.00.139.874—Unused sick leave credit	1,300,000
(k) 19.00.117.078—Increased pension	5,100,000
(*l*) 19.00.103.679—Increased pension	1,620,000
(m) 19.00.079.980—Increased benefit	245,000
Department of Corporations	
(n) 21.80.094.175—Health care plans	4,000
Department of Housing and Community Development	
(nx) 22.40.114.380—Regional housing needs	68,000
California Waste Management Board	
(nxx) 33.80.999.001—Solid Waste management plans	538,000
California Coastal Commission	
(o) 37.20.133.076—Local coastal plans	400,000
Office of Statewide Health Planning and Development	
(p) 41.40.085.476—Health Planning	253,000
Department of Health Services	
(q) 42.60.045.374—Sudden infant death syndrome	6,000
(s) 42.60.116.381-Medi-Cal Beneficiary Death Notices	75,000

Item	Amount
Department of Developmental Services	
(t) 43.00.069.475—Attorney fees	10,000
(u) 43.00.049.877—Coroners	11,000
(v) 43.00.064.480—Judicial proceedings	55,000
(w) 43.00.125.380—MR Representation	63,000
(x) 43.00.130.480—Conservatorship	5,000
Department of Mental Health	
(y) 44.40.106.173—Short Doyle Program	657,000
(z) 44.40.103.678—MDSO recommitments	74,000
Department of Social Services	
(aa) 51.80.010.281—Alternative medical coverage	79,000
(bb) 51.80.999.001—Treatment of loans	4,000
(cc) 51.80.999.002—Employment related expenses	10,000
(dd) 51.80.999.003—EED-ES registration	4,000
(ee) 51.80.999.004—Food stamp verification	60,000
(ff) AFDC Social Security validation	250,000
Department of Education	
(gg) 61.00.096.175—Collective bargaining	9,986,000
(hh) 61.00.125.375—Disciplinary procedures	1,000
(ii) 61.00.089.477—Pupil basic skills	3,333,000
(kk) 61.00.177.677—Immunization records	1,240,000
(*ll*) 61.00.096.577—Disciplinary procedures	482,000
(*ll*x) 61.00.028.279—School crossing guards	2,500
(mm) 61.00.134.780—Scoliosis screening	527,000
(nn) 61.00.047.282—Immunization requirements	539,000
Contributions to State Teachers Retirement System	
(pp) 63.00.103.679—Benefit increase	23,859,000
(qq) 63.00.128.680—Benefit increase	8,393,000
Subvention for Guardianship/Conservatorship Proceedings	

Item	Amount
(rr) 81.70.135.776—Guardianship/Conservatorship	4,300,000
Department of Industrial Relations	
(ss) 83.50.102.173—Reduced waiting period	4,400,000
(tt) 83.50.102.373—Life pension	600,000
Department of Personnel Administration	
(ttx) 83.80.084.578—Filipino employee surveys	1,500
Tax Relief	
(uu) 91.00.124.277—Senior Citizen property tax deferral program	182,000
(uux) 91.00.128.180—Involuntary lien notices	990,000

Provisions:

1. Except as provided in 9 and 10 below, allocations to the appropriate local entities shall be made by the State Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of such costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 2231 of the Revenue and Taxation Code.
2. The funds provided by Schedule (g) are to provide reimbursement, pursuant to Section 16100.6 of the Government Code, to local governments caused by the provisions of Section 6555 of the Elections Code.
3. The appropriation made by this item for Schedule (g) is in augmentation of, and in addition to, the funds continuously appropriated to the State Controller by Section 16100 of the Government Code.
4. The funds provided in Schedule (h) are for reimbursement of net costs to local government associated with the implementation of Chapter 704 of the Statutes of 1975, relating to voter registration and voting procedures, in accordance with Section 91 of that Chapter, for such costs incurred during the 1983–84 fiscal year and that the Secretary of State shall determine the maximum reimbursement available to each local jurisdiction (and shall so advise the State Controller) for voter outreach programs which have been adopted and implemented pursuant to Section 304 of the Elections Code. The max-

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imum reimbursement available to each local jurisdiction for voter outreach purposes shall be based on the proportional number of unregistered voters within each local jurisdiction as determined by the Secretary of State. For purposes of this provision "net costs" are defined to be voter outreach expenditures up to the allowable maximum reimbursement plus other reasonable costs, less realized savings related to Chapter 704 of the Statutes of 1975.

5. Prior to the payment of any claim funded by Schedule (h) the State Controller shall confer with the Secretary of State to determine whether the cost for which reimbursement is sought is properly reimbursable under Section 91 of Chapter 704 of the Statutes of 1975.
6. The State Controller pursuant to Section 12410 of the Government Code, shall audit claims submitted by counties pursuant to reimbursements made pursuant to Schedules (g) and (h).
7. The funds appropriated in Schedule (i) may be expended only to reimburse mandated costs in excess of any revenues distributed pursuant to Schedule (h) of Item 9100-101-001.
8. The funds appropriated in Schedule (o) are for coastal planning assistance as provided in Section 16 of Chapter 1330 of the Statutes of 1976, as amended by Section 28 of Chapter 1331 of the Statutes of 1976.
9. Notwithstanding any other provision of law to the contrary, the funds appropriated in Schedules aa, bb, cc, dd, ee, and ff are for transfer to the Department of Social Services for reimbursement of costs which relate to activities of the Department of Social Services, of any new program or increased level of service of an existing program mandated by statute or by executive regulation.
10. The funds appropriated in Schedules oo, pp and qq are for transfer to the State Teachers' Retirement Fund for the State Teachers' Retirement System for reimbursement of costs incurred pursuant to Chapter 89, Statutes of 1974, Chapter 1036, Statutes of 1979 and Chapter 1286, Statutes of 1980.

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11. Claims for prior year costs may be paid from this item; and provided further, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.
12. If the Director of Finance, upon the advice and recommendation of the State Controller, determines that, because of provision 11 of this item the appropriation made pursuant to this item will be insufficient to fund the expenditures for the state mandated local programs authorized by the Legislature in this item, the Director shall so report to the Legislature, and 30 days after the report is made, the amount of the appropriation made by this item shall be increased by the amount of the excess unless and until otherwise provided by law.
13. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the State Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein, except those as provided in provision 9. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee or his or her designee.
14. Reimbursements to local agencies from category (ii) shall be in the amount of actual costs incurred rather than on a unit cost basis as in the past. Claims for reimbursement submitted to the State Controller's Office are to separately delineate the cost of three separate activities: (1) initial notifications to the parents of students who have not satisfactorily completed a proficiency examination; (2) conferences conducted with parents; and (3) a second notification to parents who did not respond to the initial notification.

    The State Controller's Office shall analyze actual cost data submitted and when the data are sufficient, these data shall be used as the basis for development of revised unit cost reimbursement rates.

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The State Controller's Office shall not honor claims for reimbursement from category (ii) of costs incurred notifying the parents of special education students of these students' test results.

9680-101-214—For local assistance, State mandated local programs, for reimbursement, in accordance with the provisions of subdivision (a) of Section 2231 of the Revenue and Taxation Code, for costs incurred by local agencies pursuant to the provisions of Chapter 1123 of the Statutes of 1977, payable from the Restitution Fund, State Controller 80,000

Provisions:

1. Allocations to the appropriate local agencies shall be made by the Controller in accordance with the provisions of Chapter 1123 of the Statutes of 1977 and of subdivision (d) of Section 2231 of the Revenue and Taxation Code.
2. Claims for prior year costs may be paid from this item. Expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.
3. If the Director of Finance, upon the advice and recommendation of the State Controller, determines that, because of provision 2 of this item, the appropriation made pursuant to this item will be insufficient to fund the expenditures for the state mandated local programs authorized by the Legislature in this item, the Director shall so report to the Legislature. At the time the report is made, the amount of the appropriation made by this item shall be increased by the amount of the excess unless and until otherwise provided by law.
4. Prior to the payment of any claim from funds appropriated in this item, the Controller shall require a certification that the claimant has attempted to recover its costs using the procedures specified in Sections 1203.1 and 1203.1b of the Penal Code.

9680-495—Reversion, State Mandated Local Programs

As of June 30, 1983, the unencumbered balance of the appropriations provided in Chapter 1090, Statutes of 1981, Chapter 28, Statutes of 1982, and Chapter 1586, Statutes of 1982, shall revert to the unappropriated surplus of the fund from which the appropriation was made: 001—General Fund.

9800-001-001—For augmentation for Employee Compensation 253,428,000

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Schedule:

(a) Compensation increases..... 220,331,000
(b) Comparable worth 27,097,000
(c) Salary inequity increases 6,000,000

Provisions:

1. The funds appropriated in category (a) are for compensation increases, increases in benefits related thereto, and other benefits, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation their respective appropriations or allocations for support or for other purposes, in such amounts as will make sufficient money available for each state officer or employee in the state service, whose compensation, or portion thereof, is chargeable to the General Fund, to receive any such increases provided on or after July 1, 1984, by the Department of Personnel Administration, or the Directors of Hastings College of Law, as the case may be.
2. Funds appropriated for employee compensation increases are to be allocated by executive order of the Department of Finance to the several state offices, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining in accordance with salary and benefit schedules established by the Department of Personnel Administration in accordance with Section 19826 of the Government Code.
4. The funds appropriated in category (c) shall be authorized by the Department of Personnel Administration, through the bargaining process, for special salary inequity increases if (a) 20 percent of the positions were unfilled for at least six months due to a department's inability to recruit new employees, or (b) 20 percent of the employees in a particular class or classes left state service during the last 12 months, or (c) a salary lag of 20 percent exists based on wages paid for comparable employment in other governmental jurisdictions and the private sector for classes which require specialized expertise typified by higher education and/or professional licensure, or specialized training, such as law enforcement or fire protection.
5. The funds appropriated in category (b) are to

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be used solely for pay equity adjustments related to the comparability of the value of the work, in accordance with provisions of Section 19827.2 of the Government Code, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, the Assembly Committee on Rules, the State Committee on Rules, the Joint Rules Committee, the Joint Legislative Audit Committee, and the Joint Legislative Budget Committee, in augmentation of their respective appropriations or allocations for support or for other purposes, in such amounts as will make sufficient money available for each state officer or employee in the state service, whose compensation, or portion thereof, is chargeable to the General Fund, and each officer or employee of either house of the Legislature or joint committee thereof, to receive any such pay equity adjustments provided by the Department of Personnel Administration, or any committee of the Legislature responsible for establishing salaries for officers and employees of the Legislature, as the case may be. Appropriated funds are to be allocated proportionally (a) to each of the bargaining units representing employees in state civil service based on the number of employees in female-dominated classifications within each of these units, and, (b) to the several state offices, departments, boards, bureaus, commissions, and other state agencies for nonrepresented employees based on the number of employees in female-dominated nonrepresented classes of the several state offices, departments, boards, bureaus, commissions, and other state agencies. Distribution of any appropriated funds within each bargaining unit shall be determined by memoranda of understanding between the Department of Personnel Administration and the exclusive representatives representing state civil service employees.

Bargaining over pay equity adjustments made from these funds shall not commence prior to the implementation of regular 1984–85 employee compensation adjustments. Pay equity adjustments shall not be retroactive to any time prior to July 1, 1984.

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Funds appropriated for pay equity adjustments related to comparability of the value of the work are to be allocated by executive order of the Department of Finance in accordance with approved memoranda of understanding, or, for employees excluded from collective bargaining, in a manner consistent with Section 19827.2 of of the Government Code.

6. Of the funds appropriated in category (a), $3,726,000 shall be transferred to Item 011-001-001 and $4,636,000 shall be transferred to Item 0120-011-001. Funds transferred pursuant to this provision shall be available for encumbrance for the same programs and purposes for which appropriations for the items to which they are transferred have been made by this act.
7. Where memoranda of understanding have not been approved prior to passage of this act, the current compensation and benefit levels shall remain in effect until superseded by approved memoranda of understanding.

9800-001-494—For augmentation for Employee Compensation payable from other-unallocated special funds 141,686,000

Schedule:

(a) Compensation increases..... 122,471,000
(b) Comparable worth 16,000,000
(c) Salary inequity increases 3,215,000

Provisions:

1. The funds appropriated in category (a) are for compensation increases, increases in benefits related thereto, and other benefits, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations for support or for other purposes, in such amounts as will make sufficient money available for each state officer or employee in the state service, whose compensation, or portion thereof, is chargeable to special funds, to receive any such increases provided on or after July 1, 1984, by the Department of Personnel Administration.

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2. Funds appropriated for employee compensation increases are to be allocated by executive order of the Department of Finance to the several state offices, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining in accordance with salary and benefit schedules established by the Department of Personnel Administration in accordance with Section 19826 of the Government Code.
4. The funds appropriated in category (c) shall be authorized by the Department of Personnel Administration, through the bargaining process, for special salary inequity increases if (a) 20 percent of the positions in a particular class or classes were unfilled for at least six months due to a department's inability to recruit new employees, or (b) 20 percent of the employees in a particular class or classes left state service during the last 12 months, or (c) a salary lag of 20 percent exists based on wages paid for comparable employment in other governmental jurisdictions and the private sector for classes which require specialized expertise typified by higher education or professional licensure, or both, or specialized training, such as law enforcement or fire protection.
5. The funds appropriated in category (b) are to be used solely for pay equity adjustments related to the comparability of the value of the work, in accordance with the provisions of Section 19827.2 of the Government Code, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations for support or for other purposes, in such amounts as will make sufficient money available for each state officer or employee in the state service, whose compensation, or portion thereof, is chargeable to nongovernmental cost funds, to receive any such pay equity adjustments provided by the Department of Personnel Administration. Appropriated funds are to be allocated proportionally (a) to each of the bargaining units representing employees in state civil service based on the number of employees in female-dominated classifications

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within each of these units, and, (b) to the several state offices, departments, boards, bureaus, commissions, and other state agencies for nonrepresented employees based on the number of employees in female-dominated nonrepresented classes of the several state offices, departments, boards, bureaus, commissions, and other state agencies. Distribution of any appropriated funds within each bargaining unit shall be determined by memoranda of understanding between the Department of Personnel Administration and the exclusive representatives representing state civil service employees.

Bargaining over pay equity adjustments made from these funds shall not commence prior to the implementation of regular 1984–85 employee compensation adjustments. Pay equity adjustments shall not be retroactive to any time prior to July 1, 1984.

Funds appropriated for pay equity adjustments related to comparability of the value of the work are to be allocated by executive order of the Department of Finance in accordance with approved memoranda of understanding, or, for employees excluded from collective bargaining, in a manner consistent with Section 19827.2 of the Government Code.

6. Where memoranda of understanding have not been approved prior to passage of this act, the current compensation and benefit levels shall remain in effect until superseded by approved memoranda of understanding.

9800-001-988—For augmentation for Employee Compensation, payable from other-unallocated nongovernmental cost funds 118,099,000

Schedule:

(a) Compensation increases..... 102,083,000
(b) Comparable worth 14,000,000
(c) Salary inequity increases 2,016,000

Provisions:

1. The funds appropriated in category (a) are for compensation increases, increases in benefits related thereto, and other benefits, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations for support or for other purposes, in

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such amounts as will make sufficient money available for each state officer or employee in the state service, whose compensation, or portion thereof, is chargeable to nongovernmental cost funds, to receive any such increases provided on or after July 1, 1984, by the Department of Personnel Administration.

2. Funds appropriated for employee compensation increases are to be allocated by executive order of the Department of Finance to the several state offices, in accordance with approved memoranda of understanding or, for employees excluded from collective bargaining, in accordance with salary and benefit schedules established by the Department of Personnel Administration in accordance with Section 19826 of the Government Code.

4. The funds appropriated in category (c) shall be authorized by the Department of Personnel Administration, through the bargaining process, for special salary inequity increases if: (1) 20 percent of the positions were unfilled for at least 6 months due to a department's inability to recruit new employees; or (2) 20 percent of the employees in a particular class or classes left state service during the last 12 months; or (3) a salary lag of 20 percent exists, based on wages paid for comparable employment in other governmental jurisdictions and the private sector for classes which require specialized expertise typified by higher education, professional licensure, or specialized training, such as law enforcement or fire protection.

5. The funds appropriated in category (b) are to be used solely for pay equity adjustments related to the comparability of the value of the work, in accordance with the provisions of Section 19827.2 of the Government Code, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations or allocations for support or for other purposes, in such amounts as will make sufficient money available for each state officer or employee in the state service, whose compensation, or portion thereof, is chargeable to nongovernmental cost funds, to receive any such pay equity adjust-

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ments provided by the Department of Personnel Administration. Appropriated funds are to be allocated proportionally (a) to each of the bargaining units representing employees in state civil service based on the number of employees in female-dominated classifications within each of these units, and, (b) to the several state offices, departments, boards, bureaus, commissions, and other state agencies for nonrepresented employees based on the number of employees in female-dominated nonrepresented classes of the several state offices, departments, boards, bureaus, commissions, and other state agencies. Distribution of any appropriated funds within each bargaining unit shall be determined by memoranda of understanding between the Department of Personnel Administration and the exclusive representatives representing state civil service employees.

Bargaining over pay equity adjustments made from these funds shall not commence prior to the implementation of regular 1984–85 employee compensation adjustments. Pay equity adjustments shall not be retroactive to any time prior to July 1, 1984.

Funds appropriated for pay equity adjustments related to comparability of the value of the work are to be allocated by executive order of the Department of Finance in accordance with approved memoranda of understanding, or, for employees excluded from collective bargaining, in a manner consistent with Section 19827.2 of of the Government Code.

6. Where memoranda of understanding have not been approved prior to passage of this act, the current compensation and benefit levels shall remain in effect until superseded by approved memoranda of understanding.

9800-490—Reappropriation, Augmentation for Employee Compensation. On the effective date of this act, notwithstanding any other provisions of law, the appropriations provided in the following citations are reappropriated for the purposes provided for in the appropriation and related to the settlement of Theroux et al. v. State of California. These funds shall be available for encumbrance and expenditure until June 30, 1985, unless otherwise specified:

Item	Amount
(1) 001—General Fund (Chapter 192, Statutes of 1979)—Employee Compensation	3,320,000
(2) 494—Special Funds (Chapter 192, Statutes of 1979)—Employee Compensation	745,000
(3) 988—Nongovernmental Cost Funds (Chapter 192, Statutes of 1979)—Employee Compensation	935,000

9810-001-001—For payment of attorney fee claims, settlements, compromises, and judgments against the state, its officers, and officers and employees of state agencies, departments, boards, bureaus or commissions, supported from the General Fund, but only pursuant to the provisions of Code of Civil Procedure Section 1021.5, the "private attorney general" doctrine, or the "substantial benefit" doctrine 200,000

Provisions:

1. Expenditures from this item shall be made by the Controller, subject to the approval of the Department of Finance, and shall be charged to the fiscal year in which the disbursement is issued.
2. Expenditures from this item shall not exceed an hourly rate which equals the rate charged by the Attorney General of the State of California at the time the warrant is issued or at the time judgment is entered, whichever is earlier.
3. Notwithstanding the maximum hourly rate specified above, no expenditure from this item shall be made in excess of $50,000 for a single action.
4. No payment shall be made by the Controller from this item except in full and final satisfaction of the claim, settlement, compromise, or judgment for attorney fees incurred in connection with a single action.
5. The Director of Finance shall notify the Chairperson of the Joint Legislative Budget Committee and the chairperson of the fiscal committees in each house when funds from this item have been exhausted, or when there are insufficient funds to satisfy a claim completely. This report shall list the known unsatisfied claims, and the amount of each of these claims.

Item	Amount
9810-001-494—For payment of attorney fee claims, settlements, compromises, and judgments against the state, its officers, and officers and employees of state agencies, departments, boards, bureaus or commissions, supported from special funds, but only pursuant to the provisions of Code of Civil Procedure Section 1021.5, the "private attorney general" doctrine, or the "substantial benefit" doctrine	100,000
Provisions:	
1. Provisions 1, 2, 3, 4 and 5 for Item 9810-001-001 are also applicable to this item.	
9810-001-988—For payment of attorney fee claims, settlements, compromises, and judgments against the state, its officers, and officers and employees of state agencies, departments, boards, bureaus or commissions, supported from nongovernmental cost funds but only pursuant to the provisions of Code of Civil Procedure Section 1021.5, the "private attorney general" doctrine, or the "substantial benefit" doctrine	100,000
Provisions:	
1. Provisions 1, 2, 3, 4 and 5 for Item 9810-001-001 are also applicable to this item.	
9840-001-001—For reserve for contingencies or emergencies	1,500,000
Provisions:	
1. The funds appropriated for reserve for contingencies or emergencies are to be expended only on written authorization of the Department of Finance for contingencies or emergencies.	
2. Contingencies within the meaning of these funds are defined as proposed expenditures arising from unexpected conditions or losses for which no appropriation, or insufficient appropriation, has been made by law and which, in the judgment of the Director of Finance, constitute cases of actual necessity. Emergencies within the meaning of this item are hereby defined as proposed expenditures arising from unexpected conditions or losses for which no appropriation, or insufficient appropriation, has been made by law and which in the judgment of the Director of Finance require immediate action to avert undesirable consequences or to preserve the public peace, health or safety.	

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3. Emergency and contingency expenditure authorizations and deficiency expenditure authorizations shall be limited to purposes which have been specifically approved by the Legislature in budget acts or other legislation, except that not more than $200,000 of each fund may be expended for purposes for which no such specific prior authorizations exist.
4. Authorizations for expenditures or deficiency expenditures arising from a contingency shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee, or no sooner than such lesser time as the committee, or its designee, may in each instance determine.
5. For expenditure authorizations or deficiency expenditure authorizations arising from an emergency, the Director of Finance shall file with the Joint Legislative Budget Committee within 10 days after approval, copies of all executive orders and allotment promises for emergency-related encumbrance or expenditure authorizations stating the reasons for, and the amount of, all such authorizations, except that any emergency augmentation from this item to any program in excess of 10 percent of the amount authorized for expenditure in the 1984–85 fiscal year for such program shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee or no sooner than such lesser time as the committee, or its designee, may in each instance determine, except that no such limit shall apply if the Director of Finance states in writing to the Chairman of the Joint Legislative Budget Committee the necessity and urgency for the allocation which, in the judgment of the director, makes prior approval impractical.

9840-001-494—For reserve for contingencies or emergencies, payable from unallocated special funds .. 1,500,000

Provisions:

1. Provisions 1, 2, 3, 4 and 5 for Item 9840-001-001 are also applicable to this item.

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2. For the reserve for contingencies or emergencies, payable from special funds, there are hereby appropriated from each such special fund such sums as are necessary to meet contingencies, or emergencies, to be expended only on written authorization of the Director of Finance and that no deficiencies shall be authorized by the Director of Finance in any appropriation of money from special funds made by this act for the 1984–85 fiscal year under the provisions of Section 11006 of the Government Code; provided, that accounts, special accounts, and funds in the General Fund, which are treated as other governmental cost funds for accounting and budgeting purposes in accordance with Section 13303 of the Government Code, shall be considered to be special funds within the meaning of this item.

9840-001-988—For reserve for contingencies or emergencies, payable from unallocated nongovernmental cost funds 1,500,000

Provisions:

1. Provisions 1, 2, 3, 4 and 5 for Item 9840-001-001 are also applicable to this item.
2. For reserve for contingencies or emergencies, payable from nongovernmental cost funds, there is hereby appropriated from each such nongovernmental cost fund which is subject to control or limited by this act such sums as are necessary to meet contingencies or emergencies, to be expended only on written authorization of the Director of Finance and, that no deficiencies shall be authorized by the Director of Finance in any appropriation of money from nongovernmental cost funds made by this act for the 1984–85 fiscal year under the provisions of Section 11006 of the Government Code.

9840-011-001—For Reserves for Contingencies or Emergencies (Loans) ..... (2,500,000)

Provisions:

1. This appropriation is for loans that may be made to state agencies which derive their support from the General Fund or from sources other than the General Fund, upon such terms and conditions for repayment as may be prescribed by the Department of Finance and any sum so loaned shall, if ordered by the Department of Finance, be transferred by the State Controller

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to the fund from which the support of the agency is derived.

2. No loan shall be made which requires repayment from a future legislative appropriation.
3. Authorizations for loans shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee, or no sooner than a lesser time which the committee, or its designee, may in each instance determine, except that this limit shall not apply if the Director of Finance states in writing to the Chairman of the Joint Legislative Budget Committee the necessity and urgency for the loan which, in the judgment of the director, makes prior approval impractical.
4. Within 10 days after approval, the Director of Finance shall file with the Joint Legislative Budget Committee copies of all executive orders for loans stating the reasons for, and the amount of, all of these authorizations.

9840-490—Reappropriation, Reserve for Contingencies or Emergencies. As of June 30, 1984, the unexpended balances of the appropriations made by Items 9840-001-001, 9840-001-494 and 9840-001-988, Budget Act of 1983, shall revert to the unappropriated surplus of the General Fund, special funds and nongovernmental costs funds, respectively.

As of July 1, 1984, the amounts reverted as of June 30, 1984, for Items 9840-001-001, 9840-001-494 and 9840-001-988, Budget Act of 1983, are reappropriated and shall be available until June 30, 1985, and may be expended on written authorization of the Department of Finance issued on or before said date, for contingencies and emergencies, within the meaning of said items, occurring during the 1983–84 fiscal year.

9860-301-036—For Statewide Capital Outlay, payable from the Special Account for Capital Outlay 500,000

Provisions:

1. These funds are to be allocated by the Department of Finance to state agencies and the amount appropriated in this item is not to be construed as a commitment by the Legislature as to the amount of capital outlay funds it will appropriate in any future fiscal year.

9860-301-146—For statewide capital outlay, payable from the Capital Outlay Fund for Public Higher Education 500,000

Item	Amount
Schedule:	
(1) Matching funds for energy grants, Federal Schools and Hospital Grants Program, working drawings and construction	500,000

Provisions:

1. These funds are to be allocated by the Department of Finance to the University of California, the California State University, the California Community Colleges, and the California Maritime Academy based on notification of acceptance of grant funding under the Federal Schools and Hospitals Grants Program.
2. The Department of Finance, 30 days prior to allocation of funds appropriated under this item, shall report the proposed allocation to the Chairman of the Joint Legislative Budget Committee and to the chairperson of the committee in each house which considers appropriations.

GENERAL SECTIONS
STATEWIDE

SEC. 3.00. Whenever herein an appropriation is made for support it shall include salaries and all other proper expenses, including repairs and equipment, incurred in connection with the institution, department, board, bureau, commission, officer, employee, or other agency, for which such appropriation is made.

Each item appropriating funds for salaries and wages includes the additional funds necessary to continue the payment of the amount of salaries in effect on June 30, 1984, for the state officers whose salaries are specified by statute.

Whenever herein an appropriation is made for capital outlay, it shall include acquisition of land or other real property, major construction, improvements, equipment, designs, working plans, specifications, repairs and equipment necessary in connection with a construction or improvement project.

Whenever herein any item of appropriation contains provisions for acquisition of land or other real property, it shall include all necessary expenses in connection with the acquisition of such property.

Whenever herein an appropriation is made in accordance with a schedule set forth after such appropriation, the expenditures from such item for each category, program, or project included in the schedule shall be limited to the amount specified for such category, program, or project, except as otherwise provided in this act. Each such schedule is a restriction or limitation upon the expenditure of the respective appropriation made by this act, does not itself appropriate any money, and is not itself an item of appropriation.

As used in this act in reference to such schedules "category",

"program", or "project" means a class of expenditures such as, but not limited to:

(a) "Personal services" which shall include all expenditures for payment of officers and employees of the state; including salaries and wages, workers' compensation, compensation paid to employees on approved leave of absence on account of sickness, unemployment compensation benefits, insurance premiums for workers' compensation coverage, industrial disability leave and payments, nonindustrial disability benefits and payments, the state's contributions to the Public Employees' Retirement Fund, the Teachers' Retirement Fund, the University of California Retirement Fund to provide for that portion of retirement costs to be provided for Hastings College of Law in Item 6600-001-001 of this Budget Act, the Old Age and Survivors' Insurance Revolving Fund, the Public Employees' Contingency Reserve Fund, and the state's cost of health benefits plans; but do not include compensation of independent contractors rendering personal services to the state under contract;

(b) "Operating expenses and equipment" which shall include all expenditures for purchase of materials, supplies, equipment, services (other than services of state officers and employees), departmental services (services provided by other organizational units within a department, including indirect distributed costs) and all other proper expenses;

(c) "Preliminary plans" are defined as a site plan, architectural floor plans, elevations, outline specifications, and a cost estimate. For each utility, site development, conversion and remodeling project, the drawings shall be sufficiently descriptive to accurately convey the location, scope, cost, and the nature of the improvement being proposed;

(d) "Working drawings" are defined as a complete set of plans and specifications showing and describing all phases of a project, architectural, structural, mechanical, electrical, civil engineering, and landscaping systems to the degree necessary for the purposes of accurate bidding by contractors and for the use of artisans in constructing the project. All necessary professional fees and administrative service costs are included in the preparation of such drawings;

(e) "Construct" or "construction" when used in connection with a capital outlay project shall include all such related things as fixtures, installed equipment, and auxiliary facilities;

(f) "Minor projects" include construction, improvements and equipment projects not specifically set forth in the schedule;

(g) "Programs" include all expenditures, regardless of category, required to carry out the objectives of the named activity.

For the purpose of further interpreting the meaning of the words, terms and phrases, and uniform codes used in such schedules, reference is hereby made to those documents entitled, "State of California Governor's Budget for 1984–85," submitted by the Governor to the Legislature at the 1984 portion of the 1984–85

Regular Session, the uniform accounting system prescribed by the Department of Finance under the provisions of Section 13300 of the Government Code, the Uniform Codes Manual, and the appropriate portions thereof. The State Board of Control shall establish such interpretations as are necessary to carry out the provisions of this section and shall furnish the same to the State Controller and to every state agency to whom appropriations are made under this act.

SEC. 3.50. Whenever herein an appropriation is made for support or other expenses for an institution, department, board, bureau, commission, officer, employee, or other agency, there shall be charged to such appropriation from which salaries and wages are paid: worker's compensation, compensation paid to employees on approved leave of absence on account of sickness, unemployment compensation benefits, industrial disability leave and payments, nonindustrial disability benefits and payments, the state's contribution to the Public Employees' Retirement Fund as provided by Sections 20751 and 20752 of the Government Code, the state's contribution to the Teachers' Retirement Fund as provided by Sections 23000 and 23400 of the Education Code, the state's contribution to the Old Age and Survivors' Insurance Revolving Fund as provided by Sections 20782 and 20783 of the Government Code, the state's contribution to the Public Employees' Contingency Reserve Fund and the state's contribution for the cost of health benefits plans as provided by Sections 22828 and 22829 of the Government Code.

As of the effective date of this act, the state's contributions as provided by Sections 22828 and 22829 of the Government Code for any month shall be charged to the same appropriations used for payment of salaries and wages from which the employee premium contributions for such month are deducted.

The appropriations made by Sections 20751, 20752, 20782, 20783, 22828, and 22829 of the Government Code, by Sections 23000 and 23400 of the Education Code, shall continue to be available for expenditure, and shall be charged for any expenditure which is not chargeable to an appropriation for support or other expenses as provided in this section. This transfer may be chargeable to such appropriation for a previous fiscal year if there are no funds available from that fiscal year.

The State Controller may transfer to the State Payroll Revolving Fund the contributions required by Sections 20751, 20752, 20782, 20783, 22828, and 22829 of the Government Code, and upon certification by the Board of Administration of the Public Employees' Retirement System in accordance with Sections 20754 and 20784 of the Government Code, may transfer from the State Payroll Revolving Fund to the Public Employees' Retirement Fund and the Old Age and Survivors' Insurance Revolving Fund the amounts of contributions so certified.

SEC. 4.00. Notwithstanding any other provisions of law, the employer's contributions for the 1984–85 fiscal year, which is

chargeable to an appropriation made in this act, with respect to each state officer and employee or an annuitant who was in such employment or office, including an academic position with a California State University or College, or is a survivor of such person, or is an annuitant, shall be $86 for basic and related major medical plans with respect to employees or annuitants enrolled for self alone, or $167 for an employee or annuitant so enrolled for self and one family member, or $209 for an employee or annuitant so enrolled for self and two or more family members, or, if less, the amount necessary to pay the cost of such person's enrollment, including the enrollment of such person's family members, in a health benefits plan or plans.

SEC. 4.10. Notwithstanding any other provision of this act, the Director of Finance shall reduce the 1984–85 appropriations made by this act of those state agencies that budgeted the employer's contribution for health insurance premiums at the maximum designated state contribution rate. Any funds unallocated by the Director of Finance for this purpose shall be transferred by the Controller to the fund from which the appropriation was made. For purposes of this section, the cost of premiums refers to the combination of the (1) premium cost charged by the provider, (2) administrative costs expressed as a percent of the premium costs as authorized by Section 22826 of the Government Code, and (3) Public Employees' Contingency Reserve Fund expressed as a percent of the premium costs and authorized by Section 22826 of the Government Code.

SEC. 4.20. (a) Notwithstanding any other provisions of law, the employers' contributions to the Public Employees' Contingency Reserve Fund, as required by Section 22826 of the Government Code, shall be 0.7 percent of the gross health insurance premiums paid by the employer and employee for administrative expenses and 2.0 percent of the gross health insurance premium paid by the employer and employee for the Public Employees' Contingency Reserve Fund.

(b) The Director of Finance shall transfer the amounts budgeted in the 1984–85 fiscal year by state agencies for contributions to the Public Employees' Contingency Reserve Fund pursuant to Section 22826 of the Government Code to the Augmentation for Employee Compensation Item. To the extent that these budgeted amounts are in excess of the total contributions required in subdivision (a), the excess shall be reverted to the funding sources from which they were contributed.

(c) The Controller shall revert the unencumbered balance in the Public Employees' Contingency Reserve Fund as of June 30, 1984, to the state and local funds which contributed to the balance. The amounts to be reverted shall be determined by the Department of Finance, in conjunction with the Office of the Legislative Analyst.

SEC. 5.00. No funds appropriated by this act may be used to pay court-awarded attorney's fees unless payment of such fees is either:

(a) Specifically authorized and set forth in an item or section of this act; or

(b) Expressly authorized by a statutory provision other than Section 1021.5 of the Code of Civil Procedure.

Provided that this section shall not be construed as making an appropriation of funds for the payment of court-awarded attorney's fees.

SEC. 5.50. The Director of General Services shall, within 30 days of approving any contracts and interagency agreements for consultant or personal services so notify the Chairperson of the Joint Legislative Budget Committee.

SEC. 6.00. None of the funds appropriated for support purposes under Section 2 of this act may be encumbered for any project for the alteration of a state building requiring total expenditures of $10,000 or more unless the Director of Finance determines that the proposed alteration is critical and that it is necessary to proceed using funds appropriated for support purposes. The maximum cost of any such project shall not exceed $150,000, and any approved critical project shall be reported to the Chairperson of the Joint Legislative Budget Committee or his or her designee, not less than 30 days prior to requesting bids for the project. The report shall detail those factors which make the project so critical that it must proceed using support funds.

SEC. 6.50. (a) The Department of Finance may, pursuant to a request by the officer, department, division, bureau, board, commission, or other agency to whom an appropriation is made herein, authorize the augmentation of the amount available for expenditure for a category, program, or project designated in any schedule set forth for such appropriation by transfer from any of the other designated categories, programs, or projects within the same schedule. The Department of Finance shall furnish the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee a report on all authorizations given pursuant to this section during the preceding quarter.

(b) Augmentations of amounts available for expenditure for a category, program, or project designated in any line of any schedule for personal services or operating expenses and equipment set forth for such appropriation by transfer from any of the other designated categories, programs, or projects within the same schedule shall not exceed, during any fiscal year:

(1) 20 percent of the amount so scheduled on that line for those support appropriations made herein which are $2,000,000 or less.

(2) $400,000 of the amount so scheduled on that line for those support appropriations made herein which are more than $2,000,000 but equal to or less than $4,000,000.

(3) 10 percent of the amount so scheduled on that line for those support appropriations made herein which are more than $4,000,000.

(4) The Department of Transportation Highway Program shall be

limited to a schedule change of 10 percent.

(c) Any transfer in excess of $100,000 may be authorized pursuant to this section not sooner than 30 days after notification in writing of the necessity therefor is provided to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may in each instance determine.

SEC. 7.20. (a) No funds appropriated by this act may be expended for a commercial insurance policy unless the coverage is either required by law or necessary in order to ensure that a particular state governmental function can be performed. The policy may not be purchased without the review and approval of the Department of General Services, and it may not by purchased any sooner than 30 days after the Chairman of the Joint Legislative Budget Committee has been notified regarding the necessity of the insurance policy, or not sooner than whatever lesser time the chairman may in each instance determine.

(b) Notwithstanding any other provision of this act, the Department of Finance shall reduce the appropriations of all state departments by the amounts allotted for the purchase of elective commercial insurance policies, and revert the unallotted amounts to their original funding sources. The Department of Finance shall have the authority to exempt departments from the provisions of this subdivision in cases where the funds appropriated for the purchase of an elective commercial insurance policy have been approved for expenditure under the provisions of subdivision (a).

SEC. 7.50. Whenever an expenditure is authorized from the reserve for contingencies and emergencies, from price increase funds, from employee benefits or special salary adjustments funds, from total equivalent compensation funds, from the salary increase funds, or from a fund pursuant to Section 11006 of the Government Code, in addition to an appropriation made by this act, such authorized expenditures may, for accounting purposes, be deemed to be an augmentation and increase of the appropriation made by this act.

SEC. 8.50. (a) In making appropriations to state agencies which are eligible for federal assistance programs, it is the intent and understanding of the Legislature that applications made by such agencies for federal funds under any such programs shall be for the maximum amount allowable under federal law. Therefore, any amounts received from the federal government are hereby appropriated, from the Federal Trust Fund for expenditure or for transfer to and disbursement from the State Treasury Fund established for the purpose of receiving such federal assistance subject to any provisions of this act which are applicable to the expenditure of such funds, including Section 28.00.

(b) However, if federal funds for block grant programs assumed

by the state are reduced by more than 5 percent of the amount appropriated in this act, the Director of Finance shall notify the chairperson of the committee in each house which considers appropriations, and the Chairperson of the Joint Legislative Budget Committee, in writing within 30 days after notification by the federal government that federal funds have been reduced, and shall include a plan of reduced expenditures for the federal block grant programs affected. The plan shall be operational on an interim basis for up to 45 days pending legislative review, after which time the plan shall become permanent.

(c) In addition, the Department of Finance shall notify the Chairperson of the Joint Legislative Budget Committee, and the chairpersons of the fiscal committees, within 30 days after notification from the federal government, in the event that federal funds for any item receiving federal funds are reduced by more than 5 percent of the amount appropriated in this act. Notification shall include an estimate of (a) the amount of federal funds available or anticipated, (b) state fiscal year 1984–85 expenditures for each program affected by the reduction, and (c) the effect of reduced funding on service levels authorized by this act.

SEC. 8.51. Each state agency shall, by certification to the State Controller, identify the account within the Federal Trust Fund when charges are made against any appropriation made herein from the Federal Trust Fund.

SEC. 9.00. The Supplemental Report of the Committee of Conference on the Budget Bill, which contains agreed language on statements of intent or requests for studies and which was submitted to the Senate and Assembly concurrently with consideration of the Budget Bill for the 1984–85 fiscal year, reflects the intent of the Legislature in enacting the Budget Act of 1984 and should be interpreted as such by the various agencies of state government affected by the statements contained in the report. The Legislative Analyst shall transmit copies of the report to all agencies to which statements of intent and requests for studies are directed in order that each may be fully informed of the intent of the Legislature.

SEC. 9.20. Notwithstanding Section 15860 of the Government Code, the amount of funds expended for administrative costs associated with any appropriation contained herein for acquisition of property pursuant to the Property Acquisition Law shall be limited to the amount specified for such costs in the Supplemental Report of the Committee on Conference on the 1984 Budget Act. Notwithstanding the foregoing, any amounts needed for administrative costs associated with acquisition through the condemnation authority of the State Public Works Board shall be provided through augmentation of the affected appropriations as authorized existing law. Amounts for administrative costs may be augmented by no more than 5 percent by the State Public Works Board.

SEC. 9.50. Unless otherwise stated herein, all reappropriations

for capital outlay from the General Fund shall be payable from the Special Account for Capital Outlay.

SEC. 11.10. Notwithstanding any other provisions of law, an amount not to exceed $100,000,000 shall be transferred from the moneys deposited pursuant to Section 6217 of the Public Resources Code to the State School Building Lease-Purchase Fund for the 1984–85 fiscal year. This appropriation shall be made to the extent of funds available after allocations have been made pursuant to subdivisions (a) to (e), inclusive, of Section 6217.

The transfer made by this section shall be in lieu of any appropriation pursuant to Section 37 of Chapter 169, Statutes of 1981.

SEC. 11.15. If the sum of the unappropriated surplus in the General Fund and the unexpended balance of the Reserve for Economic Uncertainty on June 30, 1985, as reported in the State of California Preliminary Annual Report—Accrual Basis, is in excess of $465,253,000, then, notwithstanding Section 2.00, the amount of the excess over $465,253,000 up to a maximum of $100,000,000 is hereby appropriated from the General Fund for deposit in the State School Building Lease-Purchase Fund. This appropriation shall be operative 30 days after the issuance of the Controller's Preliminary Annual Report.

SEC. 11.20. Notwithstanding Section 6 of Chapter 904, Statutes of 1980, no funds shall be transferred in the 1984–85 fiscal year from the Special Account for Capital Outlay to the General Fund for the purposes of making energy tax refunds provided for in that Chapter.

SEC. 11.50. (a) Notwithstanding any other provisions of law, on the effective date of this act, the unappropriated balances in the Energy and Resources Fund, and the Energy and Resources Accounts in the Energy and Resources Fund shall be transferred to the General Fund.

(b) For the 1984–85 fiscal year, in lieu of the allocations which would otherwise be made pursuant to subdivision (e) of Section 6217 of the Public Resources Code and the subdivisions following, the following allocations shall be made in the following order:

(1) To the Capital Outlay Fund for Public Higher Education the amount of $105,700,000.

(2) Up to 5 percent of the amounts deposited in the State School Building Lease-Purchase Fund may be spent in accordance with Sections 17785 to 17795, inclusive, of the Education Code (Emergency School Classroom Law of 1979, Ch. 282, Stats. 1979).

(3) To the Special Account for Capital Outlay, the amount of $103,938,000.

(4) An amount of up to $24,674,000 shall be deposited in the unappropriated surplus of the General Fund. This transfer shall be in lieu of any transfer pursuant to Section 6 of Chapter 904 of the Statutes of 1980.

SEC. 12.00. For the purposes of Article XIII B of the California Constitution, there is hereby established a state "appropriations limit" of $21.792 billion for 1984–85. Any judicial action or proceeding

to attack, review, set aside, void or annul the "appropriations limit" for the 1984–85 fiscal year shall be commenced within 45 days of the effective date of this act.

SEC. 12.30. (a) The contingency reserve for economic uncertainties established within the General Fund by Section 12.3 of the Budget Act of 1980 is hereby continued in existence. This reserve represents a reserve fund within the meaning of Section 5 of Article XIII B of the California Constitution. Notwithstanding Sections 16310 and 16314 of the Government Code, the Controller, may transfer as necessary from the contingency reserve for economic uncertainties or from the Special Accounts in the General Fund to the General Fund such amounts as are needed to meet cash needs of the General Fund. The Controller shall return all such moneys so transferred without payment of interest as soon as there are sufficient moneys in the General Fund.

(b) The State Controller shall transfer from the contingency reserve for economic uncertainties to the unappropriated balance of the General Fund an amount necessary to eliminate any General Fund deficit as of June 30, 1984 or as of June 30, 1985. The amount of transfer for each fiscal year shall be determined on the basis of the State of California Preliminary Annual Report—Accrual Basis, for such fiscal year. Any subsequent adjustments shall be determined jointly by the State Controller and the Director of Finance.

(c) There is hereby appropriated from the General Fund for transfer to the Controller upon order of the Director of Finance, to the contingency reserve for economic uncertainties, an amount necessary to bring the balance up to 3 percent of the General Fund expenditures included in the 1984 Budget Act, as of July 1, 1984.

(d) For budgeting and accounting purposes, any appropriations heretofore or hereafter made specifically from the contingency reserve for economic uncertainties by this act or any other act, other than appropriations contained in this section, shall be deemed an appropriation from the General Fund.

(e) There is hereby appropriated from the General Fund, without regard to fiscal years, for transfer by the State Controller to the contingency reserve for economic uncertainties as of June 30, 1985, the lesser of the following amounts:

(1) The unencumbered balance in the General Fund.

(2) The difference between the state's 1984–85 "appropriations subject to limitation" and its "appropriation limit" as defined in Section 8 of Article XIII B of the California Constitution and established in this act, as jointly estimated by the Legislative Analyst's Office and the Department of Finance.

SEC. 12.50. (a) The contingency reserve for economic uncertainties established within each special fund by Section 12.35 of the Budget Act of 1981 is hereby continued in existence. These reserves represent reserve funds within the meaning of Section 5 of Article XIII B of the California Constitution.

(b) There is hereby appropriated from each reserve account in

each special fund, an amount sufficient to fund any appropriation made by this act or other statute from the fund in which the reserve account is established.

(c) There is hereby appropriated on June 30, 1985, the unappropriated balance in each special fund to the reserve account in that special fund.

SEC. 13.00. Notwithstanding any other provisions of law, expenditures under Item 0160-001-001 of this act or any appropriation in augmentation of such item shall be exempt from the provisions of Chapter 7 (commencing with Section 11700) of Part 1 of, Article 2 (commencing with Section 13320) of Chapter 3 of Part 3 of, Chapter 3 (commencing with Section 14250) of Part 5 of, and Chapter 6 (commencing with Section 14780) of Part 5.5 of, Division 3 of Title 2 of, the Government Code, Division 2 (commencing with Section 10100) of the Public Contract Code, subdivision (a) of Section 713 of Title 2 of the California Administrative Code and Section 5.50 of this act, and may be expended as set forth in the Governor's Budget, or for such other purposes, including expenditures for such number of positions in various classifications as may be authorized by the Joint Committee on Rules.

Notwithstanding any other provisions of law, the unencumbered balances as of June 30, 1984, of the appropriations made by Items 0160-001-001 and 0180-001-001 of the Budget Act of 1983 are reappropriated and shall be available for encumbrance until June 30, 1985, for the same programs and purposes for which appropriations for these items have been made by this act. The appropriations for those items in the Budget Act of 1983 shall be reduced by the amount of the balances which are reappropriated, and the appropriations for these items in this act shall be so increased.

SEC. 13.50. The first $600,000 in revenues in the Antitrust Account within the Department of Justice shall be transferred to the General Fund.

BUSINESS, TRANSPORTATION AND HOUSING

(a) If, after July 1, 1984, the Director of Finance makes a finding that funds in the Transportation Planning and Development Account, State Transportation Fund, during the 1984–85 fiscal year are less than the total 1984–85 appropriations and allocations from the account, Item 2660-041-047 and Item 2660-496 shall be operative.

(b) If, after funds are transferred to the Transportation Planning and Development Account from the Abandoned Railroad Account, funds in the Transportation Planning and Development Account are less than the total 1984–85 apportionments and allocations from the account, the Director of Finance shall unallot sufficient funds to make total allotments from the account equal to the funds in the account. The unallotments shall be made no sooner than 30 days after notification in writing to the Chairperson of the Joint Legislative Budget Committee and the chairperson of the fiscal committees of

the impact of such unallotments on individual projects, programs, and activities authorized in this act or other enacted legislation.

SEC. 16.00 If funds in the Transportation Planning and Development Account, State Transportation Fund, during the 1984–85 fiscal year are less than total 1984–85 appropriations and allocations from the account, the Director of Finance shall unallot sufficient funds to make total allotments from the account equal to the funds in the account. The unallotments shall be made no sooner than 30 days after notification in writing to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the fiscal committees of the impact of such unallotments on individual projects, programs, and activities authorized in this act or other enacted legislation.

SEC. 17.00. (a) There is hereby appropriated to the Secretary of the Business, Transportation and Housing Agency from the Transportation Planning and Development Account in the State Transportation Fund, 60 percent of the revenues transferred into the Transportation Planning and Development Account in the State Transportation Fund pursuant to paragraph (1) of subdivision (a) of, and subdivision (e) of, Section 7102 of the Revenue and Taxation Code during the 1984–85 fiscal year for allocation in the 1984–85 fiscal year pursuant to subdivision (b).

(b) (1) 70 percent of the appropriation made in subdivision (a) shall be allocated pursuant to Section 99313 of the Public Utilities Code.

(2) 30 percent of the appropriation made in subdivision (a) shall be allocated pursuant to Section 99314 of the Public Utilities Code.

RESOURCES

SEC. 18.10. No expenditure from an appropriation made by this act to the Department of Parks and Recreation shall be made to modify, execute, or approve an operating lease, or an operating agreement with any local entity or any nonprofit corporation, unless either of the following has occurred:

(1) The Legislature has reviewed the lease, or agreement as part of the support or capital outlay budget of the Department of Parks and Recreation and expressed approval of the expenditure from an appropriation made by this act through the supplemental language report.

(2) The State Public Works Board has approved the lease, or an agreement not sooner than 20 days after the Director of Finance has provided written notification to the Chairperson of the Joint Legislative Budget Committee, the Chairperson of the Assembly Ways and Means Committee, and the Chairperson of the Senate Finance Committee, and upon a determination by the board that the proposal could not have reasonably been presented to the Legislature through the annual budget process.

The Department of Parks and Recreation shall include with the

proposed lease or agreement sufficient documentation to enable the Legislature, or the board, as the case may be, to evaluate fully the estimated operating costs and revenues and all terms upon which the lease or agreement is proposed to be entered into. Specifically, the documentation shall identify (1) any anticipated costs to the state for operation or development under the agreement and the anticipated state share of total operation and development costs and (2) the anticipated annual revenues, net of operation costs, for the unit and the state's share of these revenues.

SEC. 18.20. Funds appropriated for acquisition and development for the East Bay Shoreline Project in Item 3790-301-721(ee) of the Budget Act of 1982, Item 3790-301-742(f) of the Budget Act of 1983, and Item 3790-301-036(7) of this act may be used for the purposes of planning for the entire project and for planning and development of those lands which are under ownership of a public agency.

Prior to approval by the State Public Works Board of preliminary plans for the development, the Department of Parks and Recreation shall provide to the board, and to the Chairpersons of the Senate Finance Committee, the Assembly Ways and Means Committee, and the Joint Legislative Budget Committee:

(1) The agreements between the department and the local agencies involved (i.e., the cities of Albany and Berkeley, respectively) which provide for the necessary state interest or leasehold, or both, in the properties.

(2) The department's plans for agreements with the cities that provide for the operation and maintenance of the park project or projects at no cost to the state by the cities until an integrated shoreline park is developed linking the sites in the two cities.

SEC. 18.30. Notwithstanding any other provisions of law, on the effective date of this act, the unencumbered balance of the Bagley Conservation Fund shall be transferred to the State Park and Recreation Fund.

EDUCATION

SEC. 24.00. For the 1984–85 fiscal year, the oil and mineral revenues from federal lands which are deposited in the State School Fund shall be divided between Section A and Section B of the State School Fund, with 85 percent of these revenues to be credited to Section A of the fund exclusively for K-12 district regular apportionments and 15 percent to Section B of the fund exclusively for community college regular apportionments. The amounts accruing to the State School Fund under this section shall be disbursed fully before any General Fund transfers to Section A or Section B of the State School Fund are disbursed for regular apportionments.

SEC. 24.10. Notwithstanding the provisions of Section 1464 of the Penal Code, added by Chapter 530, Statutes of 1980, and Sections

42050 and 42052(a) of the Vehicle Code, as amended by Chapter 530, Statutes of 1980, and Section 41304 of the Education Code, the Controller shall transfer the unencumbered balance in the Driver Training Penalty Assessment Fund on June 30, 1985, to the General Fund.

SEC. 24.50. Notwithstanding any provision of law to the contrary, no funds appropriated by this act, or by any act enacted prior to the enactment of this act, shall be deemed appropriated or available for expenditure for purposes of claims arising from Section 46140 of the Education Code as it read prior to the enactment of Chapter 1230 of the Statutes of 1977, except for appropriations provided to fund the Settlement Agreement entered into on March 4, 1983, by and between the Fullerton Union High School District and the Department of Education of the State of California, the Superintendent of Public Instruction of the State of California, and the Local Assistance Bureau in connection with that action otherwise known as Fullerton Union High School District, et al. v. Wilson Riles, Superintendent of Public Instruction, et al., Orange County Superior Court No. 33-46-93; and the Settlement Agreement entered into on March 4, 1983, by and between Rowland Unified School District and the Department of Education of the State of California, the Superintendent of Public Instruction of the State of California, and the Local Assistance Bureau in connection with that action otherwise known as Rowland Unified School District, et al., v. Wilson Riles, Superintendent of Public Instruction, et al., Los Angeles Superior Court No. C 323905.

GENERAL GOVERNMENT

SEC. 26.00. No funds appropriated by this act shall be encumbered for the purpose of funding any increased state costs or local governmental costs, or both such costs, arising from the issuance of an executive order as defined in Section 2209 of the Revenue and Taxation Code or subject to the provisions of Section 2231 of the Revenue and Taxation Code, unless (a) such funds to be encumbered are appropriated for such purpose, or (b) notification in writing of the necessity of the encumbrance of funds available to the state agency, department, board, bureau, office, or commission is given by the Department of Finance, at least 30 days before such encumbrance is made, to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or such lesser time as the chairperson of the committee, or his or her designee, determines.

SEC. 27.00. (a) No person shall approve the creation of deficiencies pursuant to Section 11006 of the Government Code, or approve the expenditure of funds at rates which will require a deficiency appropriation, unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee not later than 30 days prior to the effective date of the

approval, except for an approval for an emergency expenditure or an approval which is due to caseload increases in Medi-Cal, subsistence grants, school districts and county superintendents of schools, developmental services, state mental hospitals, the University of California, the California State University, tax relief, California Children's Services, unemployment insurance and disability insurance, or youth or adult correctional facilities. Approvals for an emergency expenditure shall be made in writing and filed with the Chairperson of the Joint Legislative Budget Committee not later than 10 days after the effective date of the approval. As used in this subdivision, "emergency expenditure" means a proposed expenditure arising from unexpected conditions or losses for which no appropriation, or insufficient appropriation, has been made by law and which in the judgment of the Director of Finance requires immediate action to avert undesirable consequences or to preserve the public peace, health, or safety. The writing required by this subdivision shall state the reason for and amount of the deficiency.

(b) The director of the department or other entity of state government which is the employer of any person who fails to comply with subdivision (a) shall have his or her compensation from the state or any agency thereof reduced by an amount equal to one day's compensation for each day that the person fails to comply with subdivision (a).

SEC. 28.00. (a) The Director of Finance may authorize the augmentation of the amount available for expenditure for any category or program in the schedule set forth for any appropriation in this act or any additional category or program in the amount of any funds which he or she estimates will be received by an officer, department, division, bureau, or other agency during the 1984–85 fiscal year from any other state agency, from any agency of local government or the federal government, from any appropriation made by the Legislature or from any other source which he or she determines has not been taken into consideration in the schedule or is in excess of the amount so taken into consideration.

(b) The Director of Finance may also reduce any category or program whenever he or she determines that funds to be received will be less than the amount taken into consideration in the schedule.

(c) The following augmentations or reductions may not be authorized sooner than 30 days after notification in writing of the necessity therefor to the chairperson of the committee in each house which considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may in each instance determine:

(1) Augmentations or reductions which either are (a) in excess of $100,000 or (b) are in excess of 10% of the amount available for expenditure in the affected category or program.

(2) Any other augmentations which the Director of Finance

determines constitute an increase in the level of services above that authorized by this act or other existing law or are for a new program not identified in this act as such.

(3) Any other reductions which the Director of Finance determines constitute a decrease in the level of service below that authorized by this act or other existing law.

(d) Any personnel action which is dependent on funds subject to the provisions of this section shall not be effective until after the provisions of this section have been complied with. Any authorization made pursuant to this section too late for inclusion in the Governor's Budget for the 1985–86 fiscal year shall remain in effect for such period as the director may determine in each instance, but in no event after June 30, 1986.

(e) All authorizations reported or requested under the provisions of this section shall include all of the following:

(1) A description of the proposed expenditure and identification of the statutory authority for the expenditure.

(2) A determination whether the expenditure, if federally funded, is specifically designed to be one-time, a continuing federal obligation, or one that the state is required (or expected) to fund at some future date.

(3) A determination whether the expenditure, if federally funded, supplements or replaces existing state expenditures.

(4) A determination whether the expenditure has previously been considered at some point in the legislative process and has been denied; and, if denied, for what reasons.

(f) All increased expenditures from department indirect cost funds in excess of the amount budgeted in this act or identified in a prior Section 28 notification are subject to the reporting requirements of this section.

SEC. 29.00. The Department of Finance shall calculate and publish a listing of total personnel-years and estimated salary savings for each department and agency. These listings shall be published by the Department of Finance at the same time as the publication of (a) the Governor's Budget, (b) the May revision and (c) the Final Change Book.

(a) The listing provided at the time of the publication of the Governor's Budget shall contain estimates of personnel-years for the prior year, current year, and budget year.

(b) The listing provided at the time of publication of the May revision shall contain estimates of personnel-years proposed for the budget year.

(c) The listing provided at the time of the publication of the Final Change Book shall contain estimates of personnel-years for the budget year just enacted.

SEC. 31.00. The appropriations under this act, unless otherwise provided, shall be subject to the provisions of Section 13320 of the Government Code and Article 2.5 (commencing with Section 13332) of Chapter 3 of Part 3 of Division 3 of Title 2 of the Government Code

requiring expenditures to be made in accordance with the allotments and other provisions of fiscal year budgets approved by the Department of Finance.

The fiscal year budget shall authorize in such manner as the Department of Finance shall prescribe all established positions whose continuance for the year is approved and all new positions. No new position shall be established unless authorized by the Department of Finance on the basis of work program and organization.

The Director of Finance, or his/her authorized designee, shall notify the Chairperson of the Joint Legislative Budget Committee within 30 days of authorizing any position not authorized for that fiscal year by the Legislature or any reclassification to a position with a minimum step of $2,000 per month. He/she shall also report all transfers to blanket authorizations and the establishment of any permanent positions out of a blanket authorization.

All positions administratively established pursuant to this section during the 1984–85 fiscal year shall terminate on June 30, 1985, except that those positions which have been (a) included in the 1985–86 Governor's Budget as proposed new positions, or (b) approved by the Department of Finance and reported to the Legislature after the 1985–86 Governor's Budget submission to the Legislature, may be reestablished by the Department of Finance during the 1985–86 fiscal year, provided such positions are shown in the 1986–87 proposed Governor's Budget submitted to the Legislature, or in subsequent Department of Finance letters to the Legislature, and provided, such positions do not result in establishment of positions deleted by the Legislature through the 1985–86 budget process.

Each fiscal year budget shall provide for a salary savings reserve to which shall be transferred on a document initiated by the agency the unencumbered balance remaining in each allotment for salaries and wages at the close of each quarter or other period of time covered by the allotment. A copy of this document shall be submitted to the Department of Finance upon request. The unencumbered balance remaining in each budget allotment for salaries and wages shall be computed by deducting from the amount of the allotment the expenditures and accrued obligations for salaries and wages chargeable to such allotment for the period covered thereby. The amount in the salary savings reserve shall not be available for expenditure except upon transfer to allotments for salaries and wages approved by the Department of Finance. Such transfer shall be approved only after it has been demonstrated to the satisfaction of the Department of Finance that the allotment to be augmented is insufficient to meet necessary expenditures for salaries and wages.

No money in any 1984–85 fiscal year appropriation not appropriated for that purpose may be expended for increases in salary ranges or any other salary action(s) unless the Department of Finance certifies to the salary setting authority prior to the adoption of such action(s) that funds are available to pay the increased salary

or wage resulting therefrom. Provided, that prior to certification the Department of Finance shall determine whether such increase in salary range or salary action will require supplemental funding in the 1985–86 fiscal year. If the Department of Finance determines that supplemental funding will be required, no certification shall be issued unless notification in writing is given by the Department of Finance, at least 30 days before certification is made, to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or such lesser time as the chairman of the committee, or his designee, determines.

A certification on a payroll claim that expenditures therein are in accordance with current budgetary provisions as approved by the Department of Finance shall be sufficient evidence to the State Controller that such expenditures comply with the provisions of this section.

Each agency, department, board, commission, and institution, for whose benefit and support appropriations are made in this act, shall certify to the Director of Finance that its expenditures have been made for the purposes stated in the budget, as implemented by the Budget Act, except as the purposes stated have been revised, in accordance with law, by the Department of Finance subsequent to the enactment of the Budget Act.

SEC. 32.00. The officers of the various departments, boards, commissions and institutions, for whose benefit and support appropriations are made in this act, are expressly forbidden to make any expenditures in excess of such appropriations, except the consent of the Department of Finance be first obtained, and a certificate, in writing, duly signed by the director of said department, of the unavoidable necessity of such expenditure; and any indebtedness attempted to be created against the state in violation of the provisions of this section shall be absolutely null and void; and shall not be allowed by the State Controller nor paid out of any state appropriation. Any member of any such department, board, commission or institution, who shall vote for any expenditure, or create any indebtedness against the state in excess of the respective appropriations made by this act, except by the consent of the Department of Finance and the certificate in this section provided to be first obtained, shall be liable both personally and on his official bond for the amount of such indebtedness, to be recovered in any court of competent jurisdiction by the person or persons, firm or corporation to whom such indebtedness is owing.

The Department of Finance shall submit copies of certificates approved by it under this section to the Chairman of the Joint Legislative Budget Committee, and the chairman of the committee in each house which considers appropriations, quarterly, and shall indicate in the case of each certificate the code section or section of this act under which the department gave its consent to exceed the particular appropriation.

SEC. 33.00. If any item of appropriation in this act is vetoed, eliminated, or reduced by the Governor under Section 10 of Article IV of the Constitution, while approving portions of this act, such veto, elimination, or reduction shall not affect the other portions of this act, and these other portions of this act, so approved, shall have the same effect in law as if any vetoed or eliminated items of appropriation had not been present in this act, and as if any reduced item of appropriation had not been reduced.

SEC. 33.20. Notwithstanding any other provisions of law, the sum of $3,000,000 is hereby appropriated from the General Fund for payment to the 48th District Agricultural Association for the purpose of restoring funds transferred pursuant to Section 19.22 of Chapter 326 of the Statutes of 1982. These funds shall be used for site development and program enhancement.

SEC. 34.00. If any portion of this act is held unconstitutional, such decision shall not affect the validity of any other portion of this act. The Legislature hereby declares that it would have passed this act, and each portion thereof, irrespective of the fact that any other portion be declared unconstitutional.

SEC. 35.00. This act, inasmuch as it provides for an appropriation for the usual current expenses of the state, shall, under the provisions of Section 8 of Article IV of the Constitution of the State of California, take effect immediately.

SEC. 36.00. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

This act makes appropriations and contains related provisions for support of state and local government for the 1984–85 fiscal year and provides for capital outlay appropriations, in continuation of existing programs and to promote and sustain the economy of the state. It is imperative that these appropriations be available for expenditure commencing not later than July 1, 1984. It is therefore necessary that this act go into immediate effect.

INDEX BY BUDGET TITLE

SEC. 99.00. The following provides an index to the appropriations and related provisions of this act, by organization in alphabetical order, with the code number of the affected organization. The organization code is the first four numbers of any item number in this act. For ease of reference, the appropriation items in this act are organized in numerical order, and all of the appropriation items for any one organization are adjacent to one another.

Department	Organization Code
"A"	
Accountancy, Board of	1120
Acupuncture Advisory Committee	1400
Administrative Law, Office of	8910
Aging, Commission on	4180
Aging, Department of	4170
Agricultural Labor Relations Board	8300
Air Resources Board	3400
Alcohol and Drug Programs, Department of	4200
Alcoholic Beverage Control, Department of	2100
Alcoholic Beverage Control Appeals Board	2120
Alternative Energy Source Financing Authority, California	3310
Architectural Examiners, Board of	1130
Arts Council, California	8260
Assembly (See Legislature)	0120
Assistance to Counties for Defense of Indigents	8160
Athletic Commission, State	1140
Attorney Fees, Payment of Court Awarded	9810
Automotive Repair, Bureau of	1150
"B"	
Banking Department, State	2140
Barber Examiners, State Board of	1160
Behavioral Science Examiners, Board of	1170
Block Grants for Superior Court Judgeships, State	0440
Boards. See subject (e.g., Air Resources, Control, etc.)	
Boating and Waterways, Department of	3680
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Department	Organization Code
"C"	
California/Mexico Affairs, Office of	0580
Cemetery Board	1180
Certified Shorthand Reporters Board	1520
Chiropractic Examiners, Board of	8500
Coastal Commission, California	3720
Coastal Conservancy, State	3760
Collection and Investigative Services, Bureau of	1200–1210
Colorado River Board of California	3460
Community Colleges, Board of Governors of the California	6870
Conservation, Department of	3480
Conservation Corps, California	3340
Consumer Affairs, Total Department of	1110
Consumer Affairs, Department of	1655
Consumers Services, Division of	1640
Consumer Advisory Council	1650
Contingencies or Emergencies, Reserve for	9840
Contractors State License Board	1230
Contributions to. See subject (e.g., Judges' Retirement, Teachers' Retirement, etc.)	
Control, Board of	8700
Controller, State	0840
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Councils. See subject (e.g., Arts, etc.)	
Criminal Justice Planning, Office of	8100
"D"	
Debt Advisory Commission, California	0970
Dental Examiners, Board of	1260–1270
Department of See subject (e.g., Corrections, Food and Agriculture, etc.)	
Developmental Disabilities, Area Boards on	4110
Developmental Disabilities, State Council on	4100
Developmental Services, Department of	4300
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"E"	
Economic and Business Development, Department of	2200

Department	Organization Code
Economic Development, Commission for	8200
Economic Opportunity, Office of	0660
Education, Department of	6100
Electronic and Appliance Repair, Bureau of	1280
Emergency Medical Services Authority	4120
Emergency Services, Office of	0690
Employee Compensation, Augmentation for	9800
Employment Agencies, Bureau of	1300
Employment Development Department	5100
Energy, California Business and Industrial Development Corporation, State Assistance Fund for	3300
Energy Resources Conservation and Development Commission	3360
Equalization, State Board of	0860
Exposition and State Fair, California	8560

"F"

Fabric Care, Board of	1320
Fair Employment and Housing Commission	1705
Fair Employment and Housing, Department of	1700
Finance, Department of	8860
Fire Marshal, State	1710
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Food and Agriculture, Department of	8570
Forestry, Department of	3540
Franchise Tax Board	1730
Funeral Directors and Embalmers, Board of	1330

"G"

General Services, Department of	1760
Geologists and Geophysicists, Board of Registration for	1340
Government Organization and Economy, Commission on California State	8780
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Governor's Council on Wellness and Physical Fitness	0570
Governor's Office	0500
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"H"

Hastings College of Law	6600
Health and Welfare, Secretary for	0530

Department	Organization Code
Health and Welfare Agency Data Center	4130
Health Benefits for Annuitants	9650
Health Facilities Commission, California	5190
Health Services, Department of	4260
Hearing Aid Dispensers Examining Committee	1410
Highway Patrol, Department of the California	2720
Home Furnishings, Bureau of	1360
Homicide Trials, Payments to Counties for Costs of	8180
Horse Racing Board, California	8550
Housing and Community Development, Department of	2240
"I"	
Industrial Development Financing Advisory Commission, California	2230
Industrial Relations, Department of	8350
Information Technology Equipment Management	9845
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"J"	
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Judicial	0250
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"L"	
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Law Revision Commission, California	0170
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Los Angeles County Medical Assistance	9660
"M"	
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Mental Health, Department of	4440
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Department	Organization Code
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"N"	
National Center for State Courts	0460
Native American Heritage Commission	8280
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Occupational Information Coordinating Committee, California	6330
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Parks and Recreation, Department of	3790
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Peace Officer Standards and Training, Commission on	8120
Personnel Administration, Department of	8380
Personnel Board, State	1880
Pharmacy, Board of	1490
Physical Therapy Examining Committee	1420
Physician's Assistant Examining Committee	1430
Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun, Board of	8530
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Podiatry Examining Committee	1440
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Prison Terms, Board of	5440
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Public Defender, State	8140
Public Employees' Retirement System	1900
Public Employment Relations Board	8320

Department	Organization Code
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"R"

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Rehabilitation, Department of	5160
Resources, Secretary for	0540
Resources Programs, Special	3110
Respiratory Care Examining Committee	1455

"S"

Salaries of Superior Court Judges	0420
San Francisco Bay Conservation and Development Commission	3820
Santa Monica Mountains Conservancy	3810
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Social Services, Department of	5180
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"T"

Tax Relief	9100
Teacher Credentialing, Commission on	6360
Teachers' Retirement Fund, Contributions to	6300
Teachers' Retirement System, State	1920
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"U"

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Veteran's Home of California	1970
Veterinary Medicine, Board of Examiners in	1560–1570
Vocational Education, California Advisory Council on	6320
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"W"

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Water Resources Control Board, State	3940
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Youth Authority, Department of the	5460
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INDEX FOR CONTROL SECTIONS

SEC. 99.50. The following is an index to the general sections of this act. These sections serve to define terms and restrictions on the appropriations contained herein.

1.00 Budget Act Citation
1.50 Intent and Format
2.00 Appropriations
3.00 Defines terms
3.50 Benefit Charges against Salaries and Wages
4.00 Health Benefits Contribution
4.50 Bond premiums
5.00 Attorneys Fees
5.50 Contract Approvals
6.00 Alterations limits
6.50 Intraschedule transfers
7.00 Tort Insurance
7.20 Discretionary Insurance Funds
7.50 Appropriation Augmentations
8.50 Federal Funds Receipts
8.51 Federal Funds Accounts
9.00 Supplemental Report
9.50 SAFCO—Reappropriations
11.10 State School Building Lease-Purchase Fund Transfer
11.20 Energy Tax Refunds—Special Account for Capital Outlay
11.50 Transfer Surplus of Energy Resources Fund to the Special Account for Capital Outlay
12.00 Appropriations limits
12.30 Reserve for Economic Uncertainties
12.50 Special Funds Reserves
13.00 Legislative Counsel Bureau
13.50 Transfer from Antitrust Account to General Fund
16.00 Unallotment of Funds from the Transportation Planning and Development Account
18.00 ARB Loan Repayments
18.10 Concession Contracts, Lease, and Operating Agreements
18.30 Transfer Surplus of Bagley Conservation Fund to the Parks and Recreation Fund
24.00 State School Fund Allocations
24.10 Transfer Surplus of Driver Training Penalty Assessment Fund to the General Fund
24.50 Rowland Unified School District vs. Wilson Riles
26.00 State or Local Cost Executive Order Restrictions
28.00 Program Change Notification
29.00 Personnel Year Estimates of May Revise and Fiscal Change Book

30.00 Continuous Appropriations
31.00 Budget Act Administrative Procedures
32.00 Prohibits Excess Expenditures
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33.20 48th District Agricultural Association Transfer
34.00 Constitutional Severability
35.00 Provides that Budget Act is for Usual and Current Expenses
36.00 Urgency Statute
99.00 Alphabetical Organization Index
99.50 Numerical Section Index

CHAPTER 259

An act to add Section 30241.5 to the Public Resources Code, relating to coastal zone.

[Approved by Governor June 27, 1984 Filed with Secretary of State June 28, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 30241.5 is added to the Public Resources Code, to read:

30241.5. (a) If the viability of existing agricultural uses is an issue pursuant to subdivision (b) of Section 30241 as to any local coastal program or amendment to any certified local coastal program submitted for review and approval under this division, the determination of "viability" shall include, but not be limited to, consideration of an economic feasibility evaluation containing at least both of the following elements:

(1) An analysis of the gross revenue from the agricultural products grown in the area for the five years immediately preceding the date of the filing of a proposed local coastal program or an amendment to any local coastal program.

(2) An analysis of the operational expenses, excluding the cost of land, associated with the production of the agricultural products grown in the area for the five years immediately preceding the date of the filing of a proposed local coastal program or an amendment to any local coastal program.

For purposes of this subdivision, "area" means a geographic area of sufficient size to provide an accurate evaluation of the economic feasibility of agricultural uses for those lands included in the local coastal program or in the proposed amendment to a certified local coastal program.

(b) The economic feasibility evaluation required by subdivision (a) shall be submitted to the commission, by the local government, as part of its submittal of a local coastal program or an amendment

to any local coastal program. If the local government determines that it does not have the staff with the necessary expertise to conduct the economic feasibility evaluation, the evaluation may be conducted under agreement with the local government by a consultant selected jointly by local government and the executive director of the commission.

CHAPTER 260

An act to amend Sections 328, 626, 650, 651 and 652 of, and to add Sections 328.3, 331.5, 652.5, and 655.5 to, the Welfare and Institutions Code, relating to minors.

[Approved by Governor June 27, 1984. Filed with Secretary of State June 28, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 328 of the Welfare and Institutions Code is amended to read:

328. Whenever the probation officer has cause to believe that there was or is within the county, or residing therein, a person within the provisions of Section 300, the probation officer shall immediately make such investigation as he or she deems necessary to determine whether child welfare services should be offered to the family and whether proceedings in the juvenile court should be commenced. If the probation officer determines that it is appropriate to offer these services to the family, the probation officer shall make a referral to these services pursuant to Chapter 5 (commencing with Section 16500) of Part 4 of Division 9.

However, this section does not require an investigation by the probation officer with respect to a minor delivered or referred to any agency pursuant to Section 307.5.

The probation officer shall interview any minor four years of age or older who is a subject of an investigation, and who is in juvenile hall or other custodial facility, or has been removed to a foster home, to ascertain the minor's view of the home environment. If proceedings are commenced, the probation officer shall include the substance of the interview in any written report submitted at an adjudicatory hearing, or if no report is then received in evidence, the probation officer shall include the substance of the interview in the social study required by Section 358.

SEC. 2. Section 328.3 is added to the Welfare and Institutions Code, to read:

328.3. Whenever any officer refers or delivers a minor pursuant to Section 307.5, the agency to which the minor is referred shall immediately make such investigation as it deems necessary to determine what disposition of the referral or delivery should be

made. If the referral agency does not initiate a service program on behalf of a minor referred to the agency within 20 calendar days, or initiate a service program on behalf of a minor delivered to the agency within 10 calendar days, that agency shall immediately notify the referring officer of that decision in writing. The referral agency shall retain a copy of that written notification for 30 days.

SEC. 3. Section 331.5 is added to the Welfare and Institutions Code, to read:

331.5. When any officer has referred or delivered a minor to an agency pursuant to Section 307.5, and that agency does not initiate a service program for the minor within the time periods required by Section 328.3, the referring agency may, within 10 court days following receipt of the notification from the referral agency, apply to the probation officer for a review of that decision.

SEC. 4. Section 626 of the Welfare and Institutions Code is amended to read:

626. An officer who takes a minor into temporary custody under the provisions of Section 625 may do any of the following:

(a) Release the minor.

(b) Deliver or refer the minor to a public or private agency with which the city or county has an agreement or plan to provide shelter care, counseling, or diversion services to minors so delivered.

(c) Prepare in duplicate a written notice to appear before the probation officer of the county in which the minor was taken into custody at a time and place specified in the notice. The notice shall also contain a concise statement of the reasons the minor was taken into custody. The officer shall deliver one copy of the notice to the minor or to a parent, guardian, or responsible relative of the minor and may require the minor or the minor's parent, guardian, or relative, or both, to sign a written promise to appear at the time and place designated in the notice. Upon the execution of the promise to appear, the officer shall immediately release the minor. The officer shall, as soon as practicable, file one copy of the notice with the probation officer.

(d) Take the minor without unnecessary delay before the probation officer of the county in which the minor was taken into custody, or in which the minor resides, or in which the acts take place or the circumstances exist which are alleged to bring the minor within the provisions of Section 601 or 602, and deliver the custody of the minor to the probation officer. In no case shall the officer delay the delivery of the minor to the probation officer for more than 24 hours if the minor has been taken into custody without a warrant on the belief that the minor has committed a misdemeanor.

In determining which disposition of the minor to make, the officer shall prefer the alternative which least restricts the minor's freedom of movement, provided that alternative is compatible with the best interests of the minor and the community.

SEC. 5. Section 650 of the Welfare and Institutions Code is amended to read:

650. (a) A proceeding in the juvenile court to declare a minor a dependent child of the court or a ward of the court under Section 601 is commenced by the filing with the court, by the probation officer, of a petition, in conformity with the requirements of this article.

(b) A proceeding in the juvenile court to declare a minor a ward of the court under Section 602 is commenced by the filing with the court, by the prosecuting attorney as petitioner, of a petition, in conformity with the requirements of this article.

SEC. 6. Section 651 of the Welfare and Institutions Code is amended to read:

651. Proceedings under this chapter may be commenced either in the juvenile court for the county in which a minor resides, or in which a minor is found, or in which the circumstances exist or acts take place to bring a minor within the provisions of Section 601 or 602.

SEC. 7. Section 652 of the Welfare and Institutions Code is amended to read:

652. Whenever the probation officer has cause to believe that there was or is within the county, or residing therein, a person within the provisions of Section 601 or 602, the probation officer shall immediately make such investigation as he or she deems necessary to determine whether proceedings in the juvenile court should be commenced. However, this section does not require an investigation by the probation officer with respect to a minor delivered or referred to an agency pursuant to subdivision (c) of Section 626.

SEC. 8. Section 652.5 is added to the Welfare and Institutions Code, to read:

652.5. Whenever an officer refers or delivers a minor pursuant to subdivision (c) of Section 626, the agency to which the minor is referred or delivered shall immediately make such investigation as that agency deems necessary to determine what disposition of the minor that agency shall make and intitiate a service program for the minor when appropriate. If the referral agency does not initiate a service program on behalf of a minor referred to the agency within 20 calendar days, or initiate a service program on behalf of a minor delivered to the agency within 10 days, that agency shall immediately notify the referring officer of that decision in writing. The referral agency shall retain a copy of that written notification for 30 days.

SEC. 9. Section 655.5 is added to the Welfare and Institutions Code, to read:

655.5. When an officer has referred or delivered a minor pursuant to subdivision (b) of Section 626, and the referral agency does not initiate a service program for the minor within the time periods required by Section 652.5, the referring agency may within 10 court days following receipt of the notification by the referral agency, apply to the probation officer for a review of that decision.

CHAPTER 261

An act to add and repeal Section 19531.5 of the Business and Professions Code, relating to horseracing, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 27, 1984. Filed with Secretary of State June 28, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 19531.5 is added to the Business and Professions Code, to read:

19531.5. Notwithstanding Section 19531, the board may, for the 1984 year, allocate in the southern zone any part of the 15 weeks of harness racing authorized for allocation in the central zone.

This section shall remain in effect only until January 1, 1985, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1985, deletes or extends that date.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to allow reallocation of harness racing dates so that revenues to the state can be maximized, it is necessary that this act take effect immediately.

CHAPTER 262

An act to add Section 12541.1 to the Health and Safety Code, relating to fireworks, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 28, 1984. Filed with Secretary of State June 29, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 12541.1 is added to the Health and Safety Code, to read:

12541.1. (a) A special district which provides fire protection, prevention, or suppression services may adopt an ordinance or regulation to prohibit or regulate the sale, use, or discharge of fireworks within that special district.

(b) If the county or city in which any area of the special district is located has adopted an ordinance or regulation to prohibit or regulate the sale, use, or discharge of fireworks within that county or city, the ordinance or regulation adopted by the county or city shall

prevail over the ordinance or regulation adopted by the special district within any area of the special district which is within that county or city, and only the ordinance or regulation adopted by the county or city shall be operative in that area of the special district.

(c) If any area of a special district encompasses lands which are a state responsibility area, as defined in Sections 4125 and 4126 of the Public Resources Code, any regulation or prohibition of the state with respect to the sale, use, or discharge of fireworks within the state responsibility area shall prevail over any ordinance or regulation of the special district within that area.

SEC. 2. Section 1 of this act shall not become operative unless SB 2333 is enacted on or before January 1, 1985, and as enacted amends Section 12541 of the Health and Safety Code and in that case, Section 1 of this act shall become operative on the effective date of this act or SB 2333, whichever is later.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that this act may take effect prior to July 4, 1984, it is necessary for this act to take effect immediately.

CHAPTER 263

An act to amend Section 11580.26 of the Insurance Code, relating to uninsured motorists, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 28, 1984. Filed with Secretary of State June 29, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 11580.26 of the Insurance Code is amended to read:

11580.26. (a) Except where a named insured has agreed pursuant to Section 11580.2 to delete the coverages provided by that section, no policy of bodily injury liability insurance covering liability arising out of the ownership, maintenance, or use of any motor vehicle, except where the policy provides insurance in the Republic of Mexico issued or delivered in this state by nonadmitted Mexican insurers, and except a policy insuring a commercial vehicle as defined in Section 260 of the Vehicle Code, shall be issued or delivered in this state to the owner or operator of a motor vehicle, or shall be issued or delivered by any insurer licensed in this state upon any motor vehicle then principally used or principally garaged in this state, unless a named insured has been offered the following coverage:

(1) Where the policy of motor vehicle liability insurance includes collision coverage as defined in subdivision (d) of Section 660, coverage which provides that the deductible amount, if any, to be paid by the named insured under the collision coverage shall be payable by the insurer in the event of collision involving a vehicle owned by the named insured and insured under the policy and an uninsured motor vehicle.

(2) Where the policy of motor vehicle liability insurance does not include collision coverage as defined in subdivision (d) of Section 660, coverage for property damage to the insured motor vehicle, but not including personal property contained therein, caused by the owner or operator of an uninsured motor vehicle. As used in this subdivision, "property damage" means payment for loss or damage to the insured motor vehicle resulting from collision, not to exceed its actual cash value or three thousand five hundred dollars ($3,500), whichever is less, for which loss or damage the insured is legally entitled to recover from the owner or operator of an uninsured motor vehicle. Property damage does not include compensation for loss of use of the motor vehicle. As used in this subdivision, the term "insured motor vehicle" means the motor vehicle described in the underlying insurance policy of which the uninsured motorist property damage coverage or endorsement applies.

(b) Every payment by an insurer under either coverage provided in paragraphs (1) and (2) of subdivision (a) shall be payable under the terms and conditions set forth in the policy, and shall be made only where the collision involves actual, direct physical contact between the insured and the uninsured motor vehicle and the owner or operator of the uninsured motor vehicle is identified or the uninsured motor vehicle is identified by its license number, provided that the insured or someone on his or her behalf shall have reported the accident within three business days to his or her insurer or their agent and, provided further, that it is also determined by the insured and insurer or, in the event of disagreement, by arbitration conducted by a single neutral arbitrator, when the insured has formally instituted arbitration proceedings within one year from the date of the accident, that the insured is legally entitled to recover the amount of such payments for property damage from the owner or operator of the uninsured motor vehicle. No cause of action shall exist against either an insured or insurer from exercising the right to request arbitration of a claim under this section or Section 11580.2.

(c) Any named insured, prior to or subsequent to the issuance or renewal of a policy, may elect not to accept the type of coverage provided by this section or may elect to waive this coverage when a motor vehicle is used or operated by a person or persons designated by name. That election shall be binding upon every insured to whom the policy or endorsement provisions apply while the policy is in force and shall continue to be so binding, with respect to any continuation or renewal of the policy, or with respect to any other policy which extends, changes, supersedes, or replaces the policy

issued to the named insured by the same insurer or with respect to reinstatement of the policy within 30 days of any lapse thereof. A policy shall be excluded from the application of this section if the only coverage, with respect to the use of any motor vehicle, is limited to the contingent liability arising out of the use of nonowned motor vehicles or if the automobile liability coverage is provided only on an excess or umbrella basis.

(d) An insurer paying a claim under any coverage required by this section shall be entitled to be subrogated to the rights of the insured to whom the claim was paid against any person legally liable for the damage to the insured motor vehicle to the extent that payment was made. Such action may be brought within three years from the date that payment was made pursuant to this section.

(e) As used in this section, the term "uninsured motor vehicle" means any motor vehicle with respect to the ownership, maintenance, or use of which there is no property damage liability insurance or bond applicable at the time of the accident, or there is applicable insurance or bond but the company writing the insurance or bond denies coverage thereunder or refuses to admit coverage thereunder, except conditionally or with reservation, or a motor vehicle used without the permission of the owner thereof if there is no property damage liability insurance or bond applicable at the time of the accident with respect to the owner or operator thereof. A motor vehicle which has at least the minimum property damage liability limits required pursuant to Section 16056 of the Vehicle Code shall not be held to be an uninsured motor vehicle even when such property damage liability limits are not sufficient to compensate for all property damage caused by the owner or operator of the vehicle. As used in this section, the term "uninsured motor vehicle" shall not include a motor vehicle owned or operated by any insured or any resident of the named insured's household or self-insured within the meaning of the financial responsibility provisions of the state in which the motor vehicle is registered or which is owned by the United States of America, Canada, a state or political subdivision of any government, or an agency of any of the foregoing, or a land motor vehicle or trailer operated on rails or crawler treads or while located for use as a residence for premises and not as a vehicle, or a farm-type tractor or equipment designed for use principally off public roads, except while actually upon public roads. As used in this section, the term "uninsured motor vehicle" also means an insured motor vehicle where the liability insurer thereof is unable to make payment with respect to the legal liability of its insured within the limits specified therein because of insolvency. An insurer's solvency protection shall be applicable only to accidents occurring during a policy period in which its insured's motor vehicle coverage is in effect where the liability insurer of the tortfeasor becomes insolvent within one year of the accident. In the event of payment to any person under the coverage required by this section and subject to the terms and conditions of the coverage, the

insurer making the payment shall, to the extent thereof, be entitled to any proceeds which may be recoverable from the assets of the insolvent insurer through any settlement or judgment of the person against the insolvent insurer.

(f) The offer of coverage required by this section shall be made only for policies issued or renewed on or after July 1, 1984.

(g) Any insurer whose insured has made a claim under either coverage provided in paragraphs (1) and (2) of subdivision (a), and that claim is pending, shall, at least 30 days before the expiration of the applicable statute of limitation, notify its insured in writing of the statute of limitation applicable to the property damage. Failure of the insurer to provide the written notice shall operate to toll any applicable statute of limitation until 30 days after the date the written notice is actually given. The notice shall not be required if the insurer has received notice that the insured is represented by an attorney.

(h) This section shall remain in effect only until January 1, 1989, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1989, deletes or extends such date.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the provisions of this act may apply to policies of insurance which will be subject to the requirements of Section 11580.26 of the Insurance Code on July 1, 1984, and in order to clarify the requirements of that section before they become applicable to those policies, and in order to provide for the protection of motorists in this state, it is necessary that this act take effect immediately.

CHAPTER 264

An act to amend Section 14087.2 of, and to add and repeal Section 14087.21 of, the Welfare and Institutions Code, relating to Medi-Cal, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 28, 1984. Filed with Secretary of State June 29, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 14087.2 of the Welfare and Institutions Code is amended to read:

14087.2. It is the intent of the Legislature that children's hospitals need not contract under the provisions of this article until October 31, 1984. Services provided by these hospitals prior to November 1, 1984, shall be reimbursed according to the state plan in effect on January 1, 1984. Children's hospitals are defined as those hospitals where 30 percent of the infants and children served by the single

institution qualify for Medi-Cal payment systems and the institution serves primarily children.

If such a hospital elects to contract pursuant to this article in the 1982–83 or 1983–84 fiscal year, the negotiator shall give consideration to the special services provided in such hospitals, such as those services provided to children. The California Medical Assistance Commission shall continue to extend such consideration to such hospitals following the 1983–84 fiscal year. By February 1, 1984, the commission shall report to the Legislature on the feasibility of concluding hospital negotiations with these hospitals.

SEC. 2. Section 14087.21 is added to the Welfare and Institutions Code, to read:

14087.21. Commencing November 1, 1984, reimbursement under the state plan to children's hospitals shall be on a basis that reflects the relative severity of pediatric diagnostic case types. For the purposes of this section, "children's hospital" means those hospitals where 30 percent of the infants and children served by the single institution qualify for Medi-Cal payment systems, and the institution serves primarily children.

The commission shall report to the Legislature by March 30, 1987, on its findings on the reimbursement methodology based on case mix adjustments under the provisions of this section.

This section shall remain in effect until November 1, 1987, and as of that date is repealed, unless a later enacted statute, which is chaptered before that date, changes or eliminates that date.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that children's hospitals, which constitute a unique tertiary referral resource, will continue to provide care to patients receiving Medi-Cal, it is essential that this act take effect immediately.

CHAPTER 265

An act to amend Section 1203.1d of, to add Section 1203.1f to, and to add and repeal Section 1203.1e of the Penal Code, relating to parole.

[Approved by Governor June 28, 1984 Filed with Secretary of State June 29, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 1203.1d of the Penal Code is amended to read:

1203.1d. In determining the amount of an order made pursuant

to this code requiring a defendant to make reparation or restitution to a victim of a crime, to pay any money as reimbursement for legal assistance provided by the court, to pay any cost of probation or probation investigation, or to pay any cost of jail or other confinement, the court, after determining the amount of any fine and penalty assessments, shall first determine the amount of restitution to any victim to be ordered, then the amount of any reimbursement for legal costs, then the amount of any reimbursement for probation or incarceration costs, and, lastly, the amount of any reimbursement for parole supervision costs.

SEC. 2. 1203.1e is added to the Penal Code, to read:

1203.1e. (a) In any case in which a defendant is ordered to serve a period of confinement in a county jail or other local detention facility, and the defendant is eligible to be released on parole by the county board of parole commissioners, the court shall, after a hearing, make a determination of the ability of the person to pay all or a portion of the reasonable cost of providing parole supervision. The reasonable cost of those services shall not exceed the amount determined to be the actual average cost of providing parole supervision.

(b) If the court determines that the person has the ability to pay all or part of the costs, the court may set the amount to be reimbursed and order the person to pay that sum to the county in the manner in which the court believes reasonable and compatible with the person's financial ability. In making a determination of whether a person has the ability to pay, the court shall take into account the amount of any fine imposed upon the person and any amount the person has been ordered to pay in restitution.

If practicable, the court shall order payments to be made on a monthly basis as directed by the court. Execution may be issued on the order in the same manner as a judgment in a civil action. The order to pay all or part of the costs shall not be enforced by contempt.

(c) For the purposes of this section, "ability to pay" means the overall capability of the person to reimburse the costs, or a portion of the costs, of providing parole supervision and shall include, but shall not be limited to, consideration of all of the following factors:

(1) Present financial position.

(2) Reasonably discernible future financial position. In no event shall the board consider a period of more than six months from the date of the hearing for purposes of determining reasonably discernible future financial position.

(3) Likelihood that the person shall be able to obtain employment within the six-month period from the date of the hearing.

(4) Any other factor or factors which may bear upon the person's financial capability to reimburse the county for the costs.

(d) At any time during the pendency of the order made under this section, a person against whom an order has been made may petition the court to modify or vacate its previous order on the grounds of a change of circumstances with regard to the person's

ability to pay. The court shall advise the person of this right at the time of making the order.

(e) All sums paid by any person pursuant to this section shall be deposited in the general fund of the county.

(f) The parole of any person shall not be denied or revoked in whole or in part based upon the inability or failure to pay under this section.

(g) The county board of parole commissioners shall not have access to offender financial data prior to the rendering of any parole decision.

This section shall remain in effect only until January 1, 1990, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1990, deletes or extends that date.

SEC. 3. Section 1203.1f is added to the Penal Code, to read:

1203.1f. If practicable, the court shall consolidate the ability to pay determination hearings authorized pursuant to Sections 987.8, 1203.1b, 1203.1c, and 1203.1e into one proceeding, and the determination of ability to pay made at the consolidated hearing may be used for all purposes relating to these listed sections.

CHAPTER 266

An act relating to the 1984 Olympic games, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 28, 1984. Filed with Secretary of State June 29, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The sum of one million two hundred thousand dollars ($1,200,000) is hereby appropriated from the Olympic Reflectorized License Plate Account in the State Transportation Fund to the Department of the California Highway Patrol for the purpose of providing security, traffic control, and law enforcement in relation to the 1984 Olympic games.

The amounts disbursed under this appropriation shall be from the next moneys which are deposited in the Olympic Reflectorized License Plate Account pursuant to subdivision (d) of Section 21191 of the Public Resources Code after the funds are available to comply with Sections 10, 11, 12, 13, 14, and 15 of Chapter 1289 of the Statutes of 1983.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the onstitution and shall go into immediate effect. The facts constituting the necessity are:

In order to permit the planning and implementation of security,

traffic control, and law enforcement by the Department of the California Highway Patrol in relation to the 1984 Olympic games at Los Angeles, it is necessary that this act take effect immediately.

CHAPTER 267

An act making an appropriation in augmentation of Items 9840-001-001, 9840-001-494, and 9840-001-988 of the Budget Act of 1983, relating to deficiencies, to take effect immediately, usual current expenses.

[Approved by Governor June 29, 1984. Filed with Secretary of State June 30, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The sum of one hundred fifty-eight million three hundred fifty-one thousand dollars ($158,351,000) is hereby appropriated for expenditure in the 1983–84 fiscal year in augmentation of, and for the purposes of contingencies or emergencies as provided in, Items 9840-001-001, 9840-001-494, and 9840-001-988 of the Budget Act of 1983 as follows:

(a) From the General Fund to the Reserve for contingencies or emergencies in Item 9840-001-001	$134,060,000
(b) From special funds to the reserve for contingencies or emergencies in Item 9840-001-494	$ 20,652,000
(c) From nongovernmental cost funds to the reserve for contingencies or emergencies in Item 9840-001-988	$ 3,639,000

SEC. 2. The Director of Finance may withhold authorization for expenditure of funds provided in Section 1 of this act until such time and to the extent that preliminary estimates of potential deficiencies are verified.

SEC. 3. This act makes an appropriation for the usual current expenses of the state within the meaning of Article IV of the Constitution and shall go into immediate effect.

CHAPTER 268

An act to amend Sections 151, 7124.6, and 18632 of, and to add Sections 165 and 2197 to, the Business and Professions Code. to amend Sections 1410 and 1415 of the Code of Civil Procedure, to amend Sections 14125 and 25600 of the Corporations Code, to amend Sections 17857, 33101, 39619.5, 41304, 41306, 41900, 41909, 42238,

42238.7, 42238.8, 45023.4, 46200, 46201, 49406, 51852, 69532, and 78305 of, to amend, repeal, and add Section 56728.6 of, to add Sections 42122.5, 46140.1, 46205, and 69513.5 to, to add Chapter 3 (commencing with Section 14500) to Part 9 of, to repeal and add Sections 41850 and 41852 of, and to repeal Sections 41020.5, 52484, 89910, and 94122 of, the Education Code, to amend Sections 214, 235, 3106, and 8002 of the Financial Code, to amend Section 102 of, to add Section 12795.5 to, and to repeal Article 6 (commencing with Section 500) of Chapter 3 of Part 1 of Division 1 of, the Food and Agricultural Code, to amend Sections 9108, 11791, 12016, 12439, 13340, 13943.2, 16113, 17300, 17301, 17302, 19996.32, 19996.33, 19996.34, 19996.37, 19996.39, and 22826 of, to add Sections 7507.5, 12431, 13305, 17313, and 20817 to, and to repeal Sections 12151, 12401, 12501, 12802, 13003, 14004, 14604, 17312, and 68842 of, the Government Code, to amend Sections 289.7, 25174, 25174.1, 25174.6, 25174.9, 25345, 25347, 25381, 25382, 44060, and 44061 of, to add Sections 272, 13146.2, and 15075 to, to repeal and add Sections 25174.7 and 25174.8 of, and to repeal Sections 25174.2 and 25371 of, the Health and Safety Code, to repeal Section 12907 of the Insurance Code, to amend Section 1046 of, and to repeal Sections 77 and 165 of, the Military and Veterans Code, to amend Section 1851.5 of the Probate Code, to amend Section 6217 of, and to repeal Sections 502, 602, 702, 25208, and 26407 of, the Public Resources Code, to amend Sections 17052.8, 19286.7, and 23601.5 of the Revenue and Taxation Code, to amend Section 183 of the Streets and Highways Code, to amend Section 5302 of, to add Section 307 to, and to repeal Section 312 of, the Unemployment Insurance Code, to amend Sections 1504, 2107, 2110, and 2112 of, and to add Section 3050.5 to, the Vehicle Code, to amend Section 13260 of, and to repeal Sections 121 and 180 of, the Water Code, to amend Sections 4456.5, 4782, 10815, 10818, 10819, 10820, 10822, 10823, 11025, 11056, 11311, 13002, 13004, 13005, 14154, 15200 (as amended by Section 127.5 and by Section 127.6 of Chapter 323 of the Statutes of 1983), and 16715 of, to amend the heading of Chapter 4.1 (commencing with Section 10815) of Part 2 of Division 9 of, to add Sections 4024, 4432, 9306.6, 9354, 10614, 11462.2, 14100.5, 14105.9, 14110.4, 14157.6, and 14158.5 to, to add Article 3.8 (commencing with Section 11347) to Chapter 2 of Part 3 of Division 9 of, to add and repeal Sections 9312 and 9313 of, and to repeal Sections 4783 and 11027 of, the Welfare and Institutions Code, to amend Section 7 of Chapter 1274 of the Statutes of 1982, to amend Section 5 of Chapter 171 of the Statutes of 1983, to amend Section 3 of Chapter 1321 of the Statutes of 1983, to repeal Section 6 of Chapter 904 of the Statutes of 1980, and to repeal Section 63 of Chapter 10 of the 1983–84 First Extraordinary Session, relating to fiscal affairs, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1984. Filed with Secretary of State June 30, 1984.]

Senate Bill No. 1379 is the Budget Implementation Act. It is an integral part of the

Budget process. I have made a number of reductions in appropriations and sections contained in the Budget Act. In order to fully implement my actions, I must also make conforming changes in this bill.

On that basis, I object to the following sections contained in Senate Bill No. 1379.

Section 0.3

I am eliminating this section which would require an appropriation for the Board of Medical Quality Assurance to contract for an educational and technical assistance program for physicians.

I have reduced Budget Act Item 1390-046-758 by $1,000,000 for support of the Board of Medical Quality Assurance. The action was taken on the basis that it is the Board's responsibility to regulate and license, not to provide education and technical assistance.

The elimination of this section conforms to my action on the Budget.

Section 18.5

I am eliminating the provisions related to space in a state parking garage.

I have reduced Budget Act Item 1760-301-036 by $5,878,000 to eliminate funds for acquisition, preliminary plans, working drawings, and construction for a Sacramento parking garage.

The elimination of this section conforms to my actions on the Budget.

Section 23.6

I am eliminating the extension of the sunset date for continuous appropriations.

The Budget Act for 1984-85 contains the same provision. Because the Budget Act is for one year, it is a more appropriate placement for this provision.

Section 30

I am modifying this section in the following manner:

(e) I am reducing the transfer to the Capital Outlay Fund for Public Higher Education for 1984–85 from $105,700,000 to $104,968,000

(g) I am eliminating this provision

(h) I am deleting - ", the amount of one hundred three million nine hundred thirty-eight thousand dollars ($103,938,000)."

(i) I am reducing the amount to be deposited in the appropriated surplus of the General Fund from a maximum of twenty-four million six hundred seventy-four thousand dollars ($24,674,000) to one dollar ($1).

The effect of these adjustments will be to retain within tidelands revenues sufficient funds to provide $50 million for K-12 school construction should the Legislature act to provide the authority.

These actions are conforming to my actions on the Budget in Section 11.50

Sections 37.1 and 37.2

I am eliminating the Intrastate Funding Formula for allocation of additional nutrition funds.

I have reduced Budget Act Item 4170-101-001 by $5,674,000 because my proposed budget included sufficient General Fund augmentations to provide a 4 percent increase in total funds available for senior nutrition services. Also, I believe the equity funding issue among the 33 Planning and Service Areas (PSA) should be resolved by allocating any additional Federal funds received to those PSAs that are underfunded.

The elimination of this section conforms to my actions on the Budget.

Section 45.5

I am eliminating the adjustment relating to beginning date of aid for AFDC recipients.

I have reduced Budget Act Item 5180-101-001 by $9,776,000 and Budget Act Item 5180-101-866 by $10,385,000 to maintain current policies regarding effective date of aid.

Current law provides that the beginning date of aid for an AFDC recipient is the day of eligibility or the first of the following month, but not later than 30 days from the date of application The intent of the AFDC Program is to provide for cash assistance to meet current needs. As a matter of fact no payment is made to an AFDC recipient until eligibility is determined, aid payments would not begin any sooner under the legislative proposal.

The elimination of this section conforms to my actions on the Budget.

Section 47.5

I am eliminating the Welfare Employment Services and Training Project

I have reduced Budget Act Item 5180-141-001 by $3,000,000 to eliminate funding for the Welfare Employment Services and Training Project. The project would conflict with current policy which provides that AFDC recipients be required to participate in Work Incentive (WIN) programs that would enable them to become employed as quickly as possible.

The elimination of this section conforms to my actions on the Budget.

Section 54.3

I am eliminating the legislative augmentation to allow all FDA approved nonsteroidal anti-inflammatory drugs to be included in the Medi-Cal Drug Formulary.

I have reduced Budget Act Items 4260-101-001 and 4260-101-890 by $1,558,000 each. These items were intended to fund the requirement that all FDA approved nonsteroidal anti-inflammatory drugs be included in the Medi-Cal Drug Formulary. I do not feel it is desirable to make all of these drugs available through the formulary based solely on FDA approval until they have been proven safe in widespread use.

The elimination of this section conforms to my actions on the Budget.

Section 54.35

I am eliminating the legislative augmentation to reimburse nursing homes for providing laundry and haircut services to Medi-Cal beneficiaries

I have reduced $3,885,000 in Budget Act Item 4260-101-001 and $3,885,000 in Budget Act Item 4260-101-890 because I support an alternative proposal now being considered by the Legislature to increase the personal and incidental needs allowance of Medi-Cal beneficiaries in long-term care facilities. The increased allowance now being considered may be used for laundry, haircut or other needs. I believe this alternative proposal would more equitably benefit all Medi-Cal beneficiaries by permitting them to decide how to best meet their personal needs.

The elimination of this section conforms to my actions on the Budget.

Section 67 9

I am eliminating this section which would require the Department of Forestry to add 69.6 personnel years to its Schedule A fire protection program and would limit its administrative authority under the Schedule B fire protection program.

I have eliminated Provision 8 in Budget Act Item 3540-001-001 which contains similar provisions.

The Department of Forestry has adopted a plan which will enable it to fulfill its Schedule A requirements for the 1984–85 fiscal year. The constraints placed on the Executive Branch in Schedule B regarding the use of personnel is an unconstitutional infringement on the Executive Branch's authority to manage State programs.

The elimination of this section conforms to my actions on the Budget.

Section 67.92

I am eliminating contracting with county veterans organizations for job services by the Employment Development Department.

I have reduced Budget Act Item 5100-001-870 by $167,000 which was intented to fund contracts with local veterans groups. A review will be conducted during the early part of the 1984–85 fiscal year to determine the appropriate uses of these federal funds.

The elimination of this section conforms to my actions on the Budget.

Section 67.93

I am eliminating this section which appropriates $587,000 for support of the Contractors' State License Board.

This item was considered and rejected by the Budget Conference Committee during its deliberations. I believe the Board can meet its responsibility by achieving the level of productivity that existed at the beginning of the 1983–84 Fiscal Year.

With the above reductions and deletions, I approve Senate Bill No. 1379.

George Deukmejian, Governor

The people of the State of California do enact as follows:

SECTION 0.1. Section 151 of the Business and Professions Code is amended to read:

151. The director is appointed by the Governor and holds office at the Governor's pleasure. The director shall receive the annual

salary provided for by Chapter 6 of Part 1 of Division 3 of Title 2 of the Government Code, and his or her necessary traveling expenses.

SEC. 0.2. Section 165 is added to the Business and Professions Code, to read:

165. Notwithstanding any other provision of law, no board, bureau, committee, commission, or program in the Department of Consumer Affairs shall submit to the Legislature any fiscal impact analysis relating to legislation pending before the Legislature until the analysis has been submitted to the Director of Consumer Affairs, or his or her designee, for review and comment. The boards, bureaus, committees, commissions, and programs shall include the comments of the director when submitting any fiscal impact analysis to the Legislature. This section shall not be construed to prohibit boards, bureaus, committees, commissions, and programs from responding to direct requests for fiscal data from Members of the Legislature or their staffs. In those instances it shall be the responsibility of boards, bureaus, committees, commissions, and programs to also transmit that information to the director, or his or her designee, within five working days.

SEC. 0.3. Section 2197 is added to the Business and Professions Code, to read:

The board shall contract by September 1, 1984, for the design and implementation of an educational and technical assistance program for physicians on Medi-Cal regulations, health maintenance organizations, and preferred provider organizations.

SEC. 0.4. Section 7124.6 of the Business and Professions Code is amended to read:

7124.6. (a) Notwithstanding Section 7124.5 or any other provision of law, the board shall not be precluded from disclosing to the public general information regarding complaints filed against a licensee. Information regarding the number of any complaints filed against a licensee which are under investigation or which have been resolved shall not be disclosed. Information regarding the nature of any complaints filed against a licensee may be included in any disclosure statement. Any disclosure statement regarding a complaint against a licensee which is under investigation shall inform the requester that, pending complete investigation, no conclusions or judgments as to the validity of any complaint may be assumed.

(b) In the event the board discloses information regarding complaints filed against a licensee, pursuant to subdivision (a), the board shall, in addition, disclose the number, and may disclose the nature, of any citations issued to a licensee pursuant to the provisions of Article 7.

(c) The board may also disclose information relating to any disciplinary action filed pursuant to the provisions of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(d) For the purposes of this section, "general information regarding complaints" is limited to a statement as to whether or not

there are, at the time a request for disclosure of information is made, any complaints filed against a licensee which are under investigation, and as to whether, within the year prior to the time a request for disclosure of information is made, any substantiated complaints filed against a licensee have been resolved, mediated, or settled.

(e) Nothing in this section shall be construed to limit any right provided under Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code.

(f) Not later than January 1, 1985, the Legislative Analyst, in cooperation with the Contractors' State License Board and the Department of Consumer Affairs, shall report to the Legislature on the effectiveness of this section.

(g) This section shall remain in effect only until July 1, 1985, and as of that date is repealed, unless a later enacted statute, which is chaptered before July 1, 1985, deletes or extends that date.

SEC. 0.5. Section 18632 of the Business and Professions Code is amended to read:

18632. (a) All moneys received by the commission under the provisions of this chapter shall be accounted for and reported by detailed statements furnished by the commission to the Controller at least once a month, and at the same time such moneys shall be remitted to the Treasurer and shall be deposited in the General Fund.

(b) The Athletic Commission Fund in the State Treasury is abolished and, on the effective date of amendments made to this section at the 1984 portion of the 1983–84 Regular Session of the Legislature, the Controller shall transfer the balance in that fund to the General Fund.

SEC. 1. Section 1410 of the Code of Civil Procedure is amended to read:

1410. The Attorney General shall, from time to time, commence actions on behalf of the state for the purpose of having it adjudged that title to unclaimed property to which the state has become entitled by escheat has vested in the state, and for the purpose of having it adjudged that property has been actually abandoned or that the owner thereof has died and there is no person entitled thereto and the same has escheated and vested in the state. Such actions shall be brought in the Superior Court for the County of Sacramento; except that if any real property covered by the petition is not situated in the County of Sacramento, an action respecting the real property shall be commenced in the superior court for the county in which such real property or any part thereof is situated. The Attorney General shall cause to be recorded in the office of the county recorder of the county in which the real property is situated, a notice of the pendency of the petition containing the names of the parties, and the object of the action and a description of the property in the county affected thereby. From the time of filing such notice for record only, shall a purchaser or encumbrancer of the property affected thereby be deemed to have constructive notice of the

pendency of the action, and only of the pendency against parties designated by their real names.

Such action shall be commenced by filing a petition. The provisions of Section 1420, relating to the facts to be set forth in the petition, joinder of parties and causes of action, and the provisions of Section 1423, relating to appearances and pleadings, shall be applicable to any proceeding had under this section.

Upon the filing of the petition, the court shall make an order requiring all persons interested in the property or estate to appear on a day not more than 90 days nor less than 60 days from the date of the order and show cause, if any they have, why title to the property should not vest in the State of California.

Service of process in such actions shall be made by delivery of a copy of the order, together with a copy of the petition, to each person who claims title to any property covered by the petition and who is known to the Attorney General or the Controller or who has theretofore filed in the office of the Controller a written request for such service of process, stating his name and address, including street number, or post-office box number, if any, and by publishing the order at least once a week for two consecutive weeks in a newspaper published in the county in which the action is filed, the last publication to be at least 10 days prior to the date set for the hearing.

Upon completion of the service of process, as provided in this section, the court shall have full and complete jurisdiction over the estate, the property, and the person of everyone having or claiming any interest in the property, and shall have full and complete jursidiction to hear and determine the issues therein, and to render an appropriate judgment.

In addition to the foregoing publication of the order, a notice shall be given by publication, at least once a week for two successive weeks in a newspaper published in the county from which the property was forwarded to the State Treasury or is situated, of each estate and item of property from such county or situated in such county in excess of one thousand dollars ($1,000). Such notice shall state that a petition has been filed and an order made as hereinbefore provided and shall list each estate and item in excess of one thousand dollars ($1,000) and show the amount of the property, if money, or a description thereof, if other than money, and the name of the owner or claimant and his last known address. Any omission or defect in the giving of such additional notice shall not affect the jurisdiction of the court.

If it appears from the facts found or admitted that the state is entitled to the property or any part thereof mentioned in the petition, judgment shall be rendered that title to such property or part thereof, as the case may be, has vested in the state by escheat.

No costs of suit shall be allowed against any party in any action or proceeding had under this section.

SEC. 2. Section 1415 of the Code of Civil Procedure is amended to read:

1415. Whenever any money or other personal property of a value of one thousand dollars ($1,000) or less has heretofore been, or is hereafter, deposited in the State Treasury and the same is subject to being declared escheated to the state or being declared vested in the state as abandoned property, or otherwise, under any laws of this state, in lieu of the procedure provided for elsewhere in this chapter, the Controller may, from time to time, prepare a return listing such property and give notice thereof in the manner hereinafter provided. Such return shall list each item and show (1) the amount of the property, if money, or a description thereof if other than money; (2) the name of the owner or claimant and his last known address, if known; (3) the name and address of the person delivering the property to the State Treasury, if known but where the property is received from an estate, only the name of the decedent together with the name of the county and the number of the proceeding need be given; (4) the facts and circumstances by virtue of which it is claimed the property has escheated or vested in the state; and (5) such other information as the Controller may desire to include to assist in identifying each item.

When such return has been completed, the Controller shall prepare, date, and attach thereto a notice that the property listed in the return has escheated or vested in the state. Copies of such return and notice shall then be displayed and be open to public inspection during business hours in at least three offices of the Controller, one in the City of Sacramento, one in the City and County of San Francisco, and one in the City of Los Angeles.

The Controller shall then cause notice to be given by publication in one newspaper of general circulation published in the City of Sacramento, and also by publication in one newspaper of general circulation published in the City and County of San Francisco, and also by publication in one newspaper of general circulation published in the City of Los Angeles, at least once each calendar week for two consecutive weeks, that said return and notice that the property listed in the return has escheated or vested in the state has been prepared and is on display and open to public inspection during business hours, giving the addresses and room numbers of the locations where the same may be inspected.

Such publication shall be made within 90 days after attaching the notice to the return. Notice by such publication shall be deemed completed 120 days after attaching the notice to the return.

Within five years after such notice by publication is completed, any person entitled to such property may claim it in the manner provided in Chapter 3 of this title. All persons who fail to make such claim within the time limited are forever barred; saving, however, to infants and persons of unsound mind, the right to appear and claim such property at any time within the time limited, or within one year after their respective disabilities cease.

SEC. 2.2. Section 14125 of the Corporations Code is amended to read:

14125. (a) Within 30 days after the effective date of this article each of the small business development corporations operating as of June 30, 1979, with urban business lending experience and the small business development corporation operating as of June 30, 1979, with agricultural lending experience shall designate itself as an urban development corporation or a rural development corporation. In the event that such a regional corporation declines to be an urban development corporation or rural development corporation, the board may authorize the establishment of a new regional corporation which will become an urban development corporation or rural development corporation within six months of such designation. To qualify for consideration as a regional corporation, an organization must have had a minimum of two years' experience in small business finance, management, and technical assistance. Regional corporations operating as of June 30, 1979, which decline to become urban development corporations or rural development corporations shall become ineligible to receive further state funds pursuant to this chapter six months after the decision.

(b) The regional corporations designated as urban development corporations or rural development corporations shall within a reasonable period of time take action to amend their articles of incorporation and bylaws to conform to the provisions of this article.

(c) No later than March 1, 1980, or 30 days after designation as an urban development corporation or rural development corporation whichever is sooner the urban development corporations and rural development corporations shall submit to the board a plan for an urban or rural development program which is independent of state funding pursuant to this chapter within five years. The board shall notify the urban development corporation or rural development corporation of its acceptance or rejection for cause of the plan within 60 days of submission. Upon acceptance by the board, the plan shall be the basis for all the urban development corporations' or rural development corporations' funding pursuant to this chapter. Until the plan is accepted by the board the urban development corporation or rural development corporation designee shall continue to operate as a regional corporation as defined in Articles 1 through 13 of Chapter 1.

(d) The state, through the Office of Small Business Development, shall continue to have jurisdiction and to exercise supervision over urban development corporations and rural development corporations which have achieved independence from state administrative funding. The state shall have the right to review and approve the activities and expenditure of funds of those urban development corporations and rural development corporations to ensure conformity with the provisions and intent of the Small Business Corporation Law and the regulations thereof. The use of state funds paid out to the corporation loan guarantee fund and the return on those funds from investment pursuant to Section 14044 is conditional pursuant to Sections 14025 and 14044.1. Each corporation

shall enter into a written signed agreement with the state at the beginning of each fiscal year. The agreement shall govern the activities in which the corporations engage, the investment of state funds and its return, and the budgeted administrative expenses the corporations may incur. In the event the state and corporation do not reach an agreement, or the state finds the corporation has violated the terms of an active agreement, the state may take action under Sections 14025 and 14044.1 or other action as appropriate.

SEC. 2.5. Section 25600 of the Corporations Code is amended to read:

25600. There is in the state government, in the Business and Transportation Agency a Department of Corporations, which shall administer the provisions of this division. The chief officer of the Department of Corporations is the Commissioner of Corporations. The commissioner shall be appointed by the Governor and shall hold office at the pleasure of the Governor. He or she shall receive an annual salary as fixed in the Government Code. Within 15 days from the time of his or her appointment the commissioner shall take and subscribe to the constitutional oath of office and file it in the office of the Secretary of State.

Whenever the term "Division of Corporations" is used in the law, it means the Department of Corporations.

SEC. 3.5. Chapter 3 (commencing with Section 14500) is added to Part 9 of the Education Code, to read:

CHAPTER 3. FINANCIAL AND COMPLIANCE AUDITS

14500. It is the intent of the Legislature in enacting this chapter to promote accountability over public educational funding by establishing a new program to review and report on financial and compliance audits of school districts and the offices of county superintendents of schools. It is further the intent of the Legislature that the Controller shall have the primary responsibility for implementing and overseeing the program.

14501. (a) As used in this chapter, "financial and compliance audit" shall be consistent with the definition provided in the "Standards for Audits of Governmental Organizations, Programs, Activities, and Functions" promulgated by the Comptroller General of the United States. Financial and compliance audits conducted under this chapter shall fulfill federal single audit requirements.

(b) As used in this chapter, "compliance audit" means an audit which ascertains and verifies whether or not funds provided through apportionment, contract, or grant, either federal or state, have been expended as required by law or regulation.

14502. The Controller, in consultation with the Department of Finance and the State Department of Education, shall develop a plan to review and report on financial and compliance audits. The plan shall commence with the 1984–85 fiscal year for audits of school districts and the offices of county superintendents of schools. The

Controller, in consultation with the Department of Finance and the State Department of Education, shall prescribe the statements and other information to be included in the audit reports filed with the state and shall develop an audit guide to carry out the purposes of this chapter. Prior to the issuance of the audit guide, the Controller shall submit a copy of the audit guide to the Department of Finance for review to ensure all compliance requirements are properly included.

14503. Financial and compliance audits shall be performed in accordance with General Accounting Office standards for financial and compliance audits. The audit guide prepared by the Controller shall be used in the performance of these audits.

14504. In order to determine the practicability and effectiveness of the audits and audit guide, the Controller shall, on an annual basis, review and monitor the audit reports performed by independent auditors. The Controller shall determine whether audit reports are in conformance with reporting provisions of the audit guide and shall provide notification to each school district, office of the county superintendent of schools, the Superintendent of Public Instruction, and the auditor regarding each determination. The school district or the county superintendent of schools contracting for the financial and compliance audit shall include a statement which will provide the Controller access to audit working papers.

14505. The governing board of each school district and each office of the county superintendent of schools shall include in their contracts for audits a provision to withhold 5 percent of the audit fee until the Controller certifies that the audit report conforms to the reporting provisions of the audit guide.

14506. The Controller shall conduct any additional audits which are necessary to carry out his or her duties and responsibilities under this code and the Government Code. Nothing in this chapter shall be construed to authorize any local educational agency, or any subcontractor or subrecipient, to constrain, in any manner, the Controller from carrying out any additional audits. However, to the extent that the required financial and compliance audits provide the Controller with the information necessary to carry out his or her responsibilities, the Controller shall plan additional audits as appropriate to avoid any unnecessary duplication of audit efforts. In performing these additional audits, the Controller shall, to the extent deemed appropriate under the circumstances, build upon the work performed during the required financial and compliance audit. The Controller shall not bill the school district or the county superintendent of schools for the costs of these additional audits.

14507. The Controller shall report to the State Department of Education by June 30 of each year in order to apprise the department of school districts and offices of county superintendents of schools which are not in compliance with the applicable statutes and regulations. The Controller's report shall categorize audit exception by types and shall identify the reasons for the exceptions. The reasons

may be the legislative intent or language is unclear or the administrative requirement is not feasible. The Controller shall make recommendations as to what action should be taken by the department. Before issuing the report, the Controller shall allow the school district or the county superintendent of schools specified in the report a reasonable period of time to review and comment on the section of the report affecting them.

14508. The Controller shall submit a report to the Legislature on or before June 30 of each year regarding any recommendations made to the State Department of Education under Section 14507.

SEC. 4. Section 17857 of the Education Code is amended to read:

17857. Commencing with the 1984–85 fiscal year, and each fiscal year thereafter, from the Budget Act appropriation made available for that purpose, the Controller shall transfer to Section A of the State School Fund for apportionment by the Superintendent of Public Instruction the amount certified by the State Allocation Board pursuant to subdivision (b) of Section 17854 for allocation pursuant to this chapter.

SEC. 4.2. Section 33101 of the Education Code is amended to read:

33101. The annual salary of the Superintendent of Public Instruction is provided for by Chapter 6 of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 4.3. Section 39619.5 of the Education Code is amended to read:

39619.5. Notwithstanding the limitations of Section 39619, the State Allocation Board may each year reserve an amount not to exceed 10 percent of the funds transferred from any source to the State School Deferred Maintenance Fund for apportionments to school districts, in addition to the apportionments made pursuant to Section 39619, in instances of extreme hardship. An extreme hardship shall exist in a school district when the State Allocation Board determines the existence of all of the following:

(1) That the district has deposited in its deferred maintenance fund an amount equal to at least 0.5 percent of the total general funds budgeted by the district for the fiscal year, exclusive of any amounts budgeted for capital outlay or debt service.

(2) That the district has a critical project on its five-year plan which if not completed in one year could result in serious damage to the remainder of the facility or would result in a serious hazard to the health and safety of the pupils attending the facility.

(3) That the total funds deposited by the district and the state pursuant to Section 39619 are insufficient to complete the project.

As a result of the determination made in the preceding paragraph, the State Allocation Board may increase the apportionment to a school district by such amount as it determines necessary to complete the critical project, provided the district agrees that state apportionments pursuant to Section 39619 in future years will be reduced to offset the increased apportionment.

SEC. 4.35. Section 41020.5 of the Education Code is repealed.

SEC. 4.4. Section 41304 of the Education Code is amended to read:

41304. (a) There is appropriated annually from the Driver Training Penalty Assessment Fund to the General Fund in the State Treasury and from the General Fund to the department a sum as necessary to establish and maintain a unit for driver instruction within the State Department of Education as set forth in Section 41904.

(b) In addition, subject to the provisions of Section 41305, there shall be provided from the General Fund to the State School Fund in each fiscal year such sum as the Superintendent of Public Instruction shall certify as necessary to reimburse school districts, county superintendents of schools, the California Youth Authority and the State Department of Education for the actual cost of instructing pupils in the operation of motor vehicles.

The amount shall not exceed eighty dollars ($80) per pupil instructed in the laboratory phase of driver education in accordance with the rules and regulations of the State Board of Education.

(c) Subject to the provisions of Section 41305, there shall also be provided the sum the Superintendent of Public Instruction shall certify as necessary to reimburse school districts, county superintendents of schools, the California Youth Authority and the State Department of Education for the actual cost of replacing vehicles and simulators used exclusively in the laboratory phase of driver education programs, but the amount shall not exceed three-fourths of that part of the actual cost of instructing pupils in the laboratory phase of driver education during the preceding fiscal year which was: (1) in excess of eighty dollars ($80) per pupil instructed, and (2) expended by the district, the county superintendent of schools, the California Youth Authority and the State Department of Education in replacing the vehicles and simulators. Reimbursement for vehicles shall be computed for only that portion of the total mileage used exclusively in the laboratory phase of driver education programs.

(d) For purposes of computing reimbursement, whenever a school district, a county superintendent of schools, the California Youth Authority, or the State Department of Education replaces a driver training vehicle or simulator purchased by the district with a vehicle or simulator that is a gift or loan, the purchase price of the new or acquired equipment shall be deemed to be the market value of the vehicle or simulator acquired through a gift or loan.

A simulator is any device approved by the State Department of Education to be used in classrooms for purposes of laboratory instruction under simulated driving conditions.

SEC. 4.5. Section 41306 of the Education Code is amended to read:

41306. The Superintendent of Public Instruction shall also allow as otherwise provided in Section 41304 for the driver training

instruction necessary to be safely tested for a driver's license at the Department of Motor Vehicles, those physically handicapped pupils, mentally retarded pupils who come within the provisions of Section 56501, and educationally handicapped pupils who are in attendance in a public secondary school in California which offers such qualified instruction, and who may qualify for a driver's license, or other license, issued by the California Department of Motor Vehicles, a total allowance not to exceed two hundred forty-seven dollars ($247) including the reimbursement provisions set forth in Section 41900 to each school district and county superintendent of schools. All driver training for pupils herein described must be provided by qualified teachers, as defined by Sections 41906 and 41907. The provisions of this section may not be applied if reimbursement allowable under Sections 41900 to 41912, inclusive, is sufficient to meet the total cost of instruction as herein described.

It is the intent of the Legislature that driver training instruction be provided pupils as a part of the high school curriculum, and the Legislature finds and declares that exceptional children are entitled to the benefit of such instruction so far as their individual capabilities permit, understanding that those pupils herein described often require individualized and amplified driver training instruction in order to succeed in becoming safe operators of motor vehicles. Since without a means of self-transportation much of the overall program of education and rehabilitation provided for by the Legislature would be of little avail to the person without the mobility required to become a productive and well-adjusted member of society, the Legislature further declares that it is incumbent upon the state to share in the cost of providing a most needed and desirable program of driver training instruction for these exceptional children.

SEC. 4.7. Section 41850 of the Education Code is repealed.

SEC. 4.8. Section 41850 is added to the Education Code, to read:

41850. (a) Apportionments made pursuant to this article shall only be made for transportation, as defined in this section.

(b) As used in this article, "transportation" includes all of the following:

(1) The transportation of pupils between their homes and the regular full-time day school they attend, as provided by a school district or county superintendent of schools.

(2) The payment of moneys by a school district or county superintendent of schools to parents or guardians of pupils made in lieu of providing for the transportation of pupils between their homes and the regular full-time day schools they attend.

(3) Providing board and lodging to pupils by a school district or county superintendent of schools made in lieu of providing for the transportation of pupils between their homes and the regular full-time day schools they attend.

(4) The transportation of pupils between the regular full-time day schools they would attend and the regular full-time occupational training classes they attend, as provided by a regional occupational

center or program.

(c) For purposes of this article, the computation of the allowances provided to a regional occupational center or program shall be subject to all of the following:

(1) A regional occupational center or program shall receive no allowance for 50 percent of the total transportation costs.

(2) A regional occupational center or program shall be eligible for a transportation allowance only if the total transportation costs exceed 10 percent of the total operational budget of the regional occupational center or program.

(3) A regional occupational center or program eligible for a transportation allowance pursuant to paragraph (2) shall receive an amount equal to one-third of the transportation costs subject to reimbursement.

(d) For the 1984–85 fiscal year, as used in this article, "transportation" includes the transportation of individuals with exceptional needs, as specified in their individualized education program.

(e) Commencing with the 1985–86 fiscal year, as used in this article, "transportation" includes the transportation of individuals with exceptional needs only for home-to-school transportation purposes, and shall exclude the transportation of individuals with exceptional needs for purposes other than home-to-school transportation, as specified in their individualized education program. Program-related transportation costs shall be funded as a part of the Special Education Master Plan, as specified in Article 8 (commencing with Section 56770) of Chapter 7 of Part 30.

SEC. 5.2. Section 41852 of the Education Code is repealed.

SEC. 5.3. Section 41852 is added to the Education Code, to read:

41852. (a) Any school district or county superintendent of schools which receives a transportation apportionment in the 1984–85 fiscal year, or any fiscal year thereafter, shall establish a restricted home-to-school transportation account within its general fund. The district or county superintendent shall deposit in the restricted home-to-school transportation account all transportation apportionments received pursuant to this article in any fiscal year and any other funds at the option of the district or county superintendent. Any funds remaining in the restricted home-to-school transportation account at the end of the fiscal year may remain in the restricted home-to-school transportation account for expenditure in subsequent fiscal years or may be transferred to the pupil transportation equipment fund.

(b) Any school district or county superintendent of schools may establish a pupil transportation equipment fund. The fund shall receive all state and local funds designated for acquisition, rehabilitation, or replacement of pupil transportation equipment. Funds deposited in the pupil transportation equipment fund shall be used exclusively for acquisition, rehabilitation and replacement of pupil transportation equipment, except as provided in Section 51853.

SEC. 5.5. Section 41900 of the Education Code is amended to read:

41900. The Superintendent of Public Instruction shall allow to each school district maintaining a high school or high schools, county superintendent of schools, the California Youth Authority, and the State Department of Education an amount equal to the actual cost, but not in excess of eighty dollars ($80) per pupil instructed in the laboratory phase of driver education during the preceding fiscal year in accordance with Sections 41902 and 41905 and with regulations set forth by the State Board of Education to the districts, county superintendents of schools, the California Youth Authority, and the State Department of Education for instructing pupils in the laboratory phase of driver education.

SEC. 5.7. Section 41909 of the Education Code is amended to read:

41909. The Superintendent of Public Instruction shall make an additional allowance to each school district maintaining a high school or high schools, each county superintendent of schools, the California Youth Authority, and the State Department of Education as reimbursement for the actual expense of replacing vehicles used exclusively in automobile driver training programs and of replacing simulators used in such programs, but the amount shall not exceed three-fourths of that part of the actual cost of instructing pupils in automobile driver training during the preceding fiscal year which was: (1) in excess of eighty dollars ($80) per pupil instructed, and (2) expended by the district, the county superintendent of schools, California Youth Authority, or State Department of Education replacing the vehicles and simulators. Reimbursement for vehicle shall be computed for only that portion of the total mileage used exclusively in driver training programs.

For purposes of computing reimbursement, whenever a school district, a county superintendent of schools, the California Youth Authority, or the State Department of Education replaces a driver training vehicle or simulator purchased by the district, the county superintendent of schools, California Youth Authority, or Department of Education with a vehicle or simulator that is a gift or loan, the purchase price of the new or acquired equipment shall be deemed to be the market value of the vehicle or simulator acquired through a gift or loan.

SEC. 5.8. Section 42122.5 is added to the Education Code, to read:

42122.5. (a) There is hereby established a fiscal administration study group to develop reasonable recommendations for changes in the Education Code that will strengthen the fiscal integrity of school districts and offices of county superintendent of schools.

(b) The membership of the study group shall be comprised of all of the following persons or their designees:

(1) The Superintendent of Public Instruction, who shall be the chairperson.

(2) The Controller.

(3) The Director of Finance.

(c) The study group shall consult with representatives of both the public and private sector in developing its recommendations.

(d) The study group shall examine the following recommendations made by the Controller to strengthen the fiscal integrity of school districts and offices of county superintendent of schools:

(1) Enact legislation to mandate that a fixed percentage of the adopted budget be set aside as a reserve in order to prevent school districts and offices of county superintendent of schools from budgeting themselves into financial difficulty.

(2) Amend the Education Code to require that each governing board of a school district establish an audit committee, including, but not limited to, a member from the governing board, the school district management, and the county superintendent's office. The county superintendent would also be required to establish an audit committee, including, but not limited to, a representative from the county superintendent's office, the county board of education, and the county board of supervisors. The committees' responsibilities would include the selection of the auditor and the dissemination and review of the draft report and final report, and the dissemination and review of the management letter at the conclusion of the audit.

(3) Revise the Education Code to require the county superintendent to followup on any corrective action recommended by the school district's auditor, to require the Superintendent of Public Instruction to followup on any corrective action recommended by the office of county superintendent of schools auditor, and to require the Superintendent of Public Instruction to periodically conduct management surveys of the county superintendents to assess their effectiveness in performing monitoring activities of school districts.

(4) Enact legislation to mandate that the annual financial audit report for school districts and offices of county superintendent of schools contain a three-year projection of anticipated revenues and expenditures.

(e) The study group may examine other related areas of interest to strengthen the fiscal integrity of school districts and offices of county superintendent of schools.

(f) On or before January 31, 1985, the chairperson of the study group shall submit a report to the Legislature. The report shall describe the study group's progress to date, including problems the group has identified, the solutions implemented, and the solutions proposed but not yet implemented. The report shall also describe obstacles to implementation that the study group has encountered.

SEC. 6. Section 42238 of the Education Code, as added by Section 20.4 of Chapter 498 of the Statutes of 1983, is amended to read:

42238. (a) For the 1984–85 fiscal year and each fiscal year thereafter, the county superintendent of schools shall determine a revenue limit for each school district in the county pursuant to this

section.

(b) The base revenue limit for the current fiscal year shall be determined by adding to the base revenue limit for the prior fiscal year the following amounts:

(1) The inflation adjustment specified in Section 42238.1.

(2) For the 1984–85 fiscal year only, the equalization adjustment specified in Section 42238.4.

(3) For the 1985–86 fiscal year, the amount received per unit of average daily attendance in the 1984–85 fiscal year pursuant to Section 42238.7.

(4) For the 1985–86, 1986–87, and 1987–88 fiscal years, the amount per unit of average daily attendance received in the prior fiscal year pursuant to Section 42238.8.

(c) Except for district subject to subdivision (d), the base revenue limit computed pursuant to subdivision (b) shall be multiplied by the district average daily attendance computed pursuant to Section 42238.5.

(d) For districts for which the number of units of average daily attendance determined pursuant to Section 42238.5 is greater for the current fiscal year than for the 1982–83 fiscal year, compute the following amount, in lieu of the amount computed pursuant to subdivision (c)

(1) Multiply the base revenue limit computed pursuant to subdivision (c) by the average daily attendance computed pursuant to Section 42238.5 for the 1982–83 fiscal year.

(2) Multiply the lesser of the amount in subdivision (c) or 1.05 times the statewide average base revenue limit per unit of average daily attendance for districts of similar type for the current fiscal year by the difference between the average daily attendance computed pursuant to Section 42238.5 for the current and 1982–83 fiscal years.

(3) Add the amounts in subdivisions (1) and (2).

(e) The base revenue limit per unit of average daily attendance shall be the lesser of the following amounts:

(1) The amount determined in subdivision (b).

(2) The amount computed pursuant to Section 42238 for the prior fiscal year divided by the prior fiscal year revenue limit average daily attendance times the sum of 1.0 and twice the percentage increase in revenue limits computed pursuant to Section 42238.1 for the current fiscal year.

(f) For districts electing to compute units of average daily attendance pursuant to paragraph (3) of subdivision (a) of Section 42238.5, the amount computed pursuant to Article 4 (commencing with Section 42280) shall be added to the amount computed in subdivision (c) or (d), as appropriate.

(g) For the 1984–85 fiscal year only, the county superintendent shall reduce the total revenue limit computed in this section by the amount of the decreased employer contributions to the Public Employees' Retirement System resulting from enactment of Chapter 330 of the Statutes of 1982, offset by any increase in those

contributions, as of the 1983–84 fiscal year, resulting from subsequent changes in employer contribution rates.

The reduction shall be calculated as follows:

(1) Determine the amount of employer contributions which would have been made in the 1983–84 fiscal year if the applicable Public Employees' Retirement System employer contribution rate in effect immediately prior to the enactment of Chapter 330 of the Statutes of 1982 were in effect during the 1983–84 fiscal year.

(2) Subtract from the amount determined in paragraph (1) the greater of subparagraph (A) or (B):

(A) The amount of employer contributions which would have been made in the 1983–84 fiscal year if the applicable Public Employees' Retirement System employer contribution rate in effect immediately after the enactment of Chapter 330 of the Statutes of 1982 were in effect during the 1983–84 fiscal year.

(B) The actual amount of employer contributions made to the Public Employees' Retirement System in the 1983–84 fiscal year.

(3) For purposes of this subdivision, employer contributions to the Public Employees' Retirement System for any of the following shall be excluded from the calculation specified above:

(A) Positions supported totally by federal funds which were subject to supplanting restrictions.

(B) Positions supported by funds received pursuant to Section 42243.6.

(C) Positions supported, to the extent of employer contributions not exceeding twenty-five thousand dollars ($25,000) by any single educational agency, from a revenue source determined on the basis of equity to be properly excludable from the provisions of this subdivision by the Superintendent of Public Instruction with the approval of the Director of Finance.

(4) For accounting purposes, the reduction made by this subdivision may be reflected as an expenditure from appropriate sources of revenue as directed by the Superintendent of Public Instruction.

(h) The Superintendent of Public Instruction shall apportion to each school district the amount determined in this section less the sum of:

(1) The district's property tax revenue received pursuant to Chapter 3 (commencing with Section 75) and Chapter 6 (commencing with Section 95) of Part 0.5 of the Revenue and Taxation Code.

(2) The amount, if any, received pursuant to Part 18.5 (commencing with Section 38101) of the Revenue and Taxation Code.

(3) The amount, if any, received pursuant to Chapter 3 (commencing with Section 16140) of the Government Code.

(4) Prior years taxes and taxes on the unsecured roll.

(5) Fifty percent of the amount received pursuant to Section 41603.

(6) The amount of motor vehicle license fees distributed pursuant to Section 11003.4 of the Revenue and Taxation Code.

(i) This section shall become operative July 1, 1984.

SEC. 8. Section 42238.7 of the Education Code is amended to read:

42238.7. (a) In the 1984–85 fiscal year, for each school district which increased in that fiscal year the length of its school year pursuant to Section 46200, the amount computed pursuant to Section 42238 shall be increased by the amount computed pursuant to Section 46200.

(b) This section shall remain in effect only until July 1, 1985, and as of that date is repealed, unless a later enacted statute which is chaptered before July 1, 1985, deletes or extends that date.

SEC. 9. Section 42238.8 of the Education Code is amended to read:

42238.8. (a) In the 1984–85, 1985–86, and 1986–87 fiscal years, any school district which offers at least the amounts of instructional time specified in Section 46201 for the applicable fiscal year shall increase the amount computed pursuant to Section 42238 in that fiscal year by the product of the amount computed for the school district pursuant to Section 46201 in that fiscal year.

(b) This section shall remain in effect only until July 1, 1987, and as of that date is repealed, unless a later enacted statute, which is chaptered before July 1, 1987, deletes of extends that date.

SEC. 11. Section 45023.4 of the Education Code is amended to read:

45023.4. (a) The governing board of any school district, county superintendent of schools, or county board of education may, in the 1983–84, 1984–85, or 1985–86 fiscal years, increase, for teachers meeting the requirements specified herein, the salary on its adopted certificated employee salary schedule for the then current fiscal year as specified in subdivision (b). For purposes of this section, any teacher for whom the governing board, county superintendent of schools, or county board of education may increase salaries shall meet all of the following criteria:

(1) Hold a valid California teaching credential.

(2) Possess a baccalaureate or higher degree.

(3) Receive a salary paid from the general fund of the district or county office.

(b) The governing board, county superintendent of schools, or county board of education shall perform the following computations:

(1) The governing board, county superintendent of schools, or county board of education shall compute an amount equal to the amount of the lowest salary on the salary schedule for a certificated employee meeting the criteria in subdivision (a) for the then current fiscal year multiplied by 1.10 but not to exceed an annual salary of eighteen thousand dollars ($18,000) in the 1983–84 school year, adjusted in the 1984–85 and 1985–86 school years by the same percentage increase made in base revenue limits for a unified school

district with over 1,500 units of average daily attendance.

(2) The governing board, county superintendent of schools, or county board of education shall increase to the amount computed in paragraph (1) the salary of any certificated employee meeting the criteria in subdivision (a) whose salary on the salary schedule for the then current fiscal year is less than the amount computed in paragraph (1).

(c) Each school district or county office of education which increases salaries pursuant to subdivision (b) shall receive reimbursement for the cost of the increase as follows:

(1) Total the salaries of all certificated employees receiving increased salaries pursuant to subdivision (b).

(2) Total all salaries, based on the salary schedule for the then current fiscal year, of all certificated employees receiving increased salaries pursuant to subdivision (b).

(3) Subtract the amount in paragraph (2) from the amount in paragraph (1).

(4) Multiply the amount in paragraph (3) by the district's State Teachers' Retirement System contribution rate.

(5) In the then current fiscal year, the revenue limit of the district calculated pursuant to Section 42238 or of the county office of education calculated pursuant to Section 2550 may be increased by an amount equal to the sum of the amounts in paragraphs (3) and (4).

(6) For the 1984–85, 1985–86, and 1986–87 fiscal years, any school district or county office of education which received reimbursement pursuant to this subdivision in the prior fiscal year, and which certifies to the Superintendent of Public Instruction that its salary schedule continues to reflect the adjustment authorized by this section, shall divide the amount added to revenue limit pursuant to paragraph (5) by the second principal apportionment regular average daily attendance for the prior fiscal year, and shall add that quotient to the base revenue limit per unit of average daily attendance for the then current fiscal year.

(d) A school district or county office of education shall receive reimbursement pursuant to subdivision (c) only if it certifies to the Superintendent of Public Instruction that the increase of teachers' salaries pursuant to this section does not require the district or county office of education to increase the salaries of other teachers.

SEC. 12. Section 46140.1 is added to the Education Code, to read:

46140.1. It is the intent of the Legislature that the term "pupil in a vocational education program occupationally organized and conducted under federal approval," as used in Section 46140 as it read prior to the enactment of Chapter 1230 of the Statutes of 1977, applies only to pupils in regional occupational programs and centers.

Notwithstanding any provision of law to the contrary, no funds appropriated by any act enacted prior to or after the enactment of this section, shall be deemed appropriated or available for expenditure for purposes of claims for attendance of pupils in

vocational education programs occupationally organized and conducted under federal approval, other than for attendance of pupils in regional occupational centers or programs, arising from Section 46140 as it read prior to the enactment of Chapter 1230 of the Statutes of 1977, except for appropriations to fund the Settlement Agreement entered into on March 4, 1983, by and between the Fullerton Union High School District and the State Department of Education of the State of California, the Superintendent of Public Instruction of the State of California, and the Local Assistance Bureau in connection with that action otherwise known as Fullerton Union High School District, et al. v. Wilson Riles, Superintendent of Public Instruction, et al., Orange County Superior Court No. 33-46-93; and the Settlement Agreement entered into on March 4, 1983, by and between Rowland Unified School District and the State Department of Education of the State of California, the Superintendent of Public Instruction of the State of California, and the Local Assistance Bureau in connection with that action otherwise known as Rowland Unified School District, et al., v. Wilson Riles, Superintendent of Public Instruction, et al., Los Angeles Superior Court No. C 323905.

SEC. 13. Section 46200 of the Education Code is amended to read:

46200. (a) In the 1984–85 fiscal year, for each school district which certifies to the Superintendent of Public Instruction that it offers 180 days or more of instruction per school year, the Superintendent of Public Instruction shall determine an amount equal to thirty-five dollars ($35) per unit of current year second principal apportionment regular average daily attendance, exclusive of adult average daily attendance, the average daily attendance of pupils while participating in regional occupational centers or programs, and average daily attendance for pupils attending summer school. A year-round school shall be deemed to be in compliance with the 180-day requirement if it certifies to the Superintendent of Public Instruction that it is a year-round school and maintains its school for five more days, or the equivalent thereof, than maintained in the 1982–83 fiscal year.

(b) For any school district which received an apportionment pursuant to subdivision (a) and which offers less than 180 days of instruction in the 1985–86 fiscal year or any fiscal year thereafter, and which does not provide the minimum number of instructional minutes specified in subdivision (a) of Section 46201 for that fiscal year, the Superintendent of Public Instruction shall reduce the base revenue limit per unit of average daily attendance for that fiscal year by an amount attributable to the increase received pursuant to subdivision (a), as adjusted in fiscal years subsequent to the 1984–85 fiscal year.

SEC. 14. Section 46201 of the Education Code is amended to read:

46201. (a) In each of the 1984–85, 1985–86, and 1986–87 fiscal years, for each school district which certifies to the Superintendent of Public Instruction that it offers at least the amount of instructional

time specified in this subdivision, the Superintendent of Public Instruction shall determine an amount equal to twenty dollars ($20) per unit of current year second principal apportionment regular average daily attendance in kindergarten and grades 1 to 8, inclusive, and forty dollars ($40) per unit of current year second principal apportionment regular average daily attendance in grades 9 to 12, inclusive. This section shall not apply to adult average daily attendance, the average daily attendance for pupils attending summer school, alternative school, regional occupational centers and programs, continuation high schools, or opportunity schools, and the attendance of pupils while participating in community college or independent study programs.

(1) In the 1984–85 fiscal year, for kindergarten and each of grades 1 to 12, inclusive, the sum of subparagraphs (A) and (B):

(A) The number of instructional minutes offered at that grade level in the 1982–83 fiscal year.

(B) One-third of the difference between the number of minutes specified for that grade level in paragraph (3) and the number of instructional minutes offered at that grade level in the 1982–83 fiscal year.

(2) In the 1985–86 fiscal year, for kindergarten and each of grades 1 to 12, inclusive, the sum of subparagraphs (A) and (B):

(A) The number of instructional minutes offered at that grade level in the 1982–83 fiscal year.

(B) Two-thirds of the difference between the number of minutes specified for that grade level in paragraph (3) and the number of instructional minutes offered at that grade level in the 1982–83 fiscal year.

(3) In the 1986–87 fiscal year:

(A) 36,000 minutes in kindergarten.

(B) 50,400 minutes in grades 1 to 3, inclusive.

(C) 54,000 minutes in grades 4 to 8, inclusive.

(D) 64,800 minutes in grades 9 to 12, inclusive.

(b) If any of the amounts of instructional time specified in paragraph (3) of subdivision (a) is a lesser number of minutes for that grade level than actually provided by the district in the same grade in the 1982–83 fiscal year, the 1982–83 fiscal year number of minutes for that grade level shall instead be the requirement for the purposes of subdivision paragraphs (1), (2), and (3) of (a).

(c) Each school district which receives an apportionment pursuant to subdivision (a) in a fiscal year shall, in the subsequent fiscal year, add the amount received per pupil to the district's base revenue limit per unit of average daily attendance.

(d) For any school district which receives an apportionment pursuant to subdivision (a) in the 1984–85 fiscal year and which reduces the amount of instructional time offered below the minimum amounts specified in paragraph (1) of subdivision (a) in the 1985–86 fiscal year or any fiscal year thereafter, the Superintendent of Public Instruction shall reduce the base revenue

limit per unit of average daily attendance for the fiscal year in which the reduction occurs by an amount attributable to the increase in the 1985–86 fiscal year base revenue limit per unit of average daily attendance pursuant to subdivision (c), as adjusted in the 1985–86 fiscal year and fiscal years thereafter.

For each school district which receives an apportionment pursuant to subdivision (a) in the 1985–86 fiscal year and which reduces the amount of instructional time offered below the minimum amounts specified in paragraph (2) of subdivision (a) in the 1986–87 fiscal year or any fiscal year thereafter, the Superintendent of Public Instruction shall reduce the base revenue limit per unit of average daily attendance for the fiscal year in which the reduction occurs by an amount attributable to the increase in the 1986–87 fiscal year base revenue limit per unit of average daily attendance pursuant to subdivision (c), as adjusted in the 1986–87 fiscal year and fiscal years thereafter.

For each school district which receives an apportionment pursuant to subdivision (a) in the 1986–87 fiscal year and which reduces the amount of instructional time offered below the minimum amounts specified in paragraph (3) of subdivision (a) in the 1987–88 fiscal year or any fiscal year thereafter, the Superintendent of Public Instruction shall reduce the base revenue limit per unit of average daily attendance for the fiscal year in which the reduction occurs by an amount attributable to the increase in the 1987–88 fiscal year base revenue limit per unit of average daily attendance pursuant to subdivision (c), as adjusted in the 1987–88 fiscal year and fiscal years thereafter.

SEC. 14.1. Section 46205 is added to the Education Code, to read:

46205. For purposes of this article, instructional time for school districts conducting early-late reading programs in grades 1 through 8 shall be computed by adding the total amount of instructional time provided in each portion of the early-late reading programs to the amount of instructional time offered when all pupils in the class are scheduled to attend. It is not the intent of the Legislature to disrupt or restrict early-late reading programs for pupils in grades 1 through 8.

This section shall be applicable only if the early-late reading program was in operation during the 1983–84 fiscal year, except that the Superintendent of Public Instruction may approve, based on educational reasons, the application of this section to programs commencing operation after the 1983–84 fiscal year.

SEC. 14.2. Section 49406 of the Education Code is amended to read:

49406. (a) Except as provided in subdivision (h), no person shall be initially employed by a school district in a certificated or classified position unless the person has submitted to an examination within the past 60 days to determine that he or she is free of active tuberculosis, by a physician and surgeon licensed under Chapter 5 (commencing with Section 2000) of Division 2 of the Business and

Professions Code. This examination shall consist of an X-ray of the lungs, or an approved intradermal tuberculin test, which, if positive, shall be followed by an X-ray of the lungs.

The X-ray film may be taken by a competent and qualified X-ray technician if the X-ray film is subsequently interpreted by a physician and surgeon licensed under Chapter 5 (commencing with Section 2000) of Division 2 of the Business and Professions Code.

The district superintendent or his or her designee may exempt, for a period not to exceed 60 days following termination of the pregnancy, a pregnant employee from the requirement that a positive intradermal tuberculin test be followed by an X-ray of the lungs.

(b) Thereafter, all employees shall be required to undergo the foregoing examination at least once each four years or more often if directed by the governing board upon recommendation of the local health officer.

(c) After the examination, each employee shall cause to be on file with the district superintendent of schools a certificate from the examining physician and surgeon showing the employee was examined and found free from active tuberculosis. The county board of education may require, by rule, that all their certificates be filed in the office of the county superintendent of schools or shall require their files be maintained in the office of the county superintendent of schools if a majority of the governing boards of the districts within the county so petition the county board of education, except that in either case a district or districts with a common board having an average daily attendance of 60,000 or more may elect to maintain the files for its employees in that district. "Certificate," as used in this section means a certificate signed by the examining physician and surgeon or a notice from a public health agency or unit of the American Lung Association which indicates freedom from active tuberculosis. The latter, regardless of form, will constitute evidence of compliance with this section. Nothing in this section shall prevent the governing board from establishing a rule requiring a more extensive physical examination than required by this section, but the rule shall provide for reimbursement on the same basis as required in this section.

(d) This examination is a condition of initial employment and the expense incident thereto shall be borne by the applicant unless otherwise provided by rules of the governing board. However, the board may, if an applicant is accepted for employment, reimburse that person in a like manner prescribed in this section for employees.

(e) The governing board of each district shall reimburse the employee for the cost, if any, of this examination. The board may provide for the examination required by this section or may establish a reasonable fee for such examination that is reimbursable to employees of the district complying with the provisions of this section.

(f) At the discretion of the governing board, this section shall not

apply to those employees not requiring certification qualifications who are employed for any period of time less than a school year whose functions do not require frequent or prolonged contact with pupils.

The governing board may, however, require an examination described in subdivision (2) and may, as a contract condition, require the examination of persons employed under contract, other than those persons specified in subdivision (a), if the board believes the presence of these persons in and around school premises would constitute a health hazard to pupils.

(g) If the governing board of a school district determines by resolution, after hearing, that the health of pupils in the district would not be jeopardized thereby, the provisions of this section shall not apply to any employee of the district who files an affidavit stating that he or she adheres to the faith or teachings of any well-recognized religious sect, denomination, or organization and in accordance with its creed, tenets, or principles depends for healing upon prayer in the practice of religion and that to the best of his or her knowledge and belief he or she is free from active tuberculosis. If at any time there should be probable cause to believe that the affiant is afflicted with active tuberculosis, he or she may be excluded from service until the governing board of the employing district is satisfied that he or she is not so afflicted.

(h) A person who transfers his or her employment from one school or school district to another shall be deemed to meet the requirements of subdivision (a) if that person can produce a certificate which shows that he or she was examined within the past four years and was found to be free of communicable tuberculosis, or if it is verified by the school previously employing him or her that it has a certificate on file which contains that showing.

A person who transfers his or her employment from a private or parochial elementary school, secondary school, or nursery school to a school or school district subject to this section shall be deemed to meet the requirements of subdivision (a) if that person can produce a certificate as provided for in Section 3450 of the Health and Safety Code which shows that he or she was examined within the past four years and was found to be free of communicable tuberculosis, or if it is verified by the school previously employing him or her that it has a certificate on file which contains that showing.

(i) Any governing board or county superintendent of schools providing for the transportation of pupils under contract authorized by Section 39800, 39801, or any other provision of law shall require as a condition of the contract the examination for active tuberculosis, as provided by subdivision (a), of all drivers transporting these pupils, provided that private contracted drivers who transport these pupils on an infrequent basis, not to exceed once a month, shall be excluded from this requirement.

SEC. 14.4. Section 51852 of the Education Code is amended to read:

51852. A course of instruction in the laboratory phase of driver education shall include, for each student enrolled in the class, instruction under one of the following plans:

(a) Plan One. A minimum of 12 hours allocated as follows:

(1) A minimum of six hours of on-street behind-the-wheel practice driving instruction in a dual-control automobile with a qualified instructor.

(2) A minimum of six hours in a dual-control automobile with a qualified instructor for the purposes of observation. Practice driving on an off-street multiple-car driving range approved by the department under the supervision of a qualified instructor may be substituted for all or part of the observation time.

(b) Plan Two. A minimum of 24 hours allocated as follows:

(1) Three hours of on-street behind-the-wheel practice driving instruction in a dual-control automobile with a qualified instructor.

(2) Six hours in a dual-control automobile with a qualified instructor for the purposes of observation. Practice driving on an off-street multiple-car driving range approved by the department under the supervision of a qualified instructor may be substituted for all or part of the observation time.

(3) Twelve hours of instruction by a qualified instructor in a driving simulator approved by the department.

(4) At least three additional hours of instruction specified in one or more of paragraphs 1 through 3 of this subdivision.

(c) Plan Three. A minimum of 24 hours allocated as follows:

(1) Three hours of on-street behind-the-wheel practice driving instruction in a dual-control automobile with a qualified instructor.

(2) Six hours in a dual-control automobile with a qualified instructor for the purpose of observation.

(3) Twelve hours of instruction by a qualified instructor on an off-street multiple-car driving range.

(4) At least three additional hours of instruction specified in one or more of paragraphs 1 through 3 of this subdivision.

(d) Plan Four. A minimum of 24 hours allocated as follows:

(1) Two hours of on-street behind-the-wheel practice driving instruction in a dual-control automobile with a qualified instructor.

(2) Four hours in a dual-control automobile with a qualified instructor for the purpose of observation.

(3) Eighteen hours of instruction by a qualified instructor in a driving simulator approved by the department and on an off-street multiple-car driving range. The governing board of the district shall establish the proportion of time to be utilized in simulators and on the off-street multiple-car driving range.

(e) Plan Five. Competency-based driver training which means a program in which all students receive instruction based on assessed individual needs in order to meet a common level of program performance criteria. The Superintendent of Public Instruction shall adopt rules and regulations concerning program requirements for competency-based driver training programs.

For purposes of this section, one hour means 60 minutes including passing time.

Any deviation from the standard use of a simulator or off-street multiple-car driving range, or both, shall have prior approval by the Department of Education before the school district, county superintendent of schools, the California Youth Authority, or the Department of Education can be reimbursed for the students trained.

SEC. 15. Section 52484 of the Education Code is repealed.

SEC. 16.24. Section 56728.6 of the Education Code is amended to read:

56728.6. Notwithstanding subdivision (d) of Section 56760 for the 1981–82, 1982–83, and 1983–84 fiscal years, in any semester a district, county office, or special education services region shall only be eligible for state funding of instructional personnel service units in excess of the number of instructional personnel service units for which it received state funding the prior semester in any of the three instructional service settings if both of the following conditions are met:

(a) The prior semester unduplicated count divided by the prior semester number of instructional personnel service units in an appropriate setting or settings is greater than or equal to the following:

Special day classes - 9.

Resource specialist programs - 22.

Designated instructional services - 22.

(b) The difference between the current semester and December 1980 unduplicated count divided by the difference between the current semester and 1980–81 second principal apportionment period number of instructional personnel service units in the appropriate setting or settings is greater than or equal to the following:

Special day classes and centers - 6.

Resource specialist programs - 16.

Designated instructional services - 16.

(c) The criteria in subdivisions (a) and (b) shall first be applied to the individual district or county office desiring to add instructional personnel services units. If the individual district or county office fails to satisfy both criteria, they may then be applied across all districts and county offices within the local plan.

(d) Special education services regions which included 30,000 or fewer regular average daily attendance and which had less than 25 average daily attendance per square mile in the the 1980–81 fiscal year shall be eligible to apply to the Superintendent of Public Instruction for a waiver of the provisions of this section. The waiver request shall be acted upon by the superintendent within 30 days, and shall be valid for a period of three years. If the superintendent fails to act upon the waiver request within 30 days, the waiver shall be operative for a period of one year.

(e) This section shall remain in effect only until June 30, 1984, and as of that date is repealed unless a later enacted statute, which is chaptered before June 30, 1984, deletes or extends that date.

SEC. 16.25. Section 56728.6 is added to the Education Code, to read:

56728.6. (a) Notwithstanding subdivision (d) of Section 56760, in the 1984–85 fiscal year and each fiscal year thereafter, a special education local plan area shall be eligible for state funding of those instructional personnel service units operated and fundable at the second principal apportionment of the prior fiscal year, so long as the unduplicated pupil count divided by the number of instructional personnel units is equal to or greater than the following:

(1) For special classes and centers - 9.

(2) For resource specialist programs - 21.

(3) For designated instruction and services - 20.

(b) Notwithstanding subdivision (d) of Section 56760, in the 1984–85 fiscal year and each fiscal year thereafter, a special education local plan area shall be eligible for state funding of instructional personnel service units in excess of the number of instructional personnel service units operated and fundable at the second principal apportionment of the prior fiscal year only with the authorization of the Superintendent of Public Instruction.

(1) The superintendent shall not authorize additional units for a special education local plan area if, for that special education local plan area, the percentage of pupils in kindergarten and grades 1 through 12 enrolled in special education programs would exceed 10 percent.

(2) The superintendent shall not authorize additional units for a special education local plan area if, for that special education local plan area, the ratio of pupils in kindergarten and grades 1 through 12 receiving a specific instructional service would exceed the following:

(A) For special classes and centers - 0.028 percent.

(B) For resource specialist programs - 0.040 percent.

(C) For designated instruction services - 0.042 percent.

(c) The Superintendent of Public Instruction shall base the authorization of funding for special education local plan areas pursuant to this section, including the reallocation of instructional personnel service units, upon criteria which shall include, but not be limited to, all of the following:

(1) Changes in the total number of pupils enrolled in kindergarten and grades 1 through 12.

(2) High and low average caseloads per instructional personnel service unit for each instructional setting.

(3) Lower-than-average and higher-than-average percentages of pupils in kindergarten and grades 1 through 12 who are currently enrolled in special education programs.

(d) A special education local plan area may apply for, and the superintendent may grant, a waiver of any of the standards and

criteria specified in this section if compliance would prevent the provision of a free, appropriate public education or would create undue hardship. In granting the waivers, the superintendent shall consider the following:

(1) Pupil density of 25 or fewer units of average daily attendance per square mile in local plan areas of 30,000 or fewer average daily attendance.

(2) The location of licensed children's institutions, foster family homes, residential medical facilities, and other similar facilities within the boundaries of a local plan if 5 percent or more of the local plan's unduplicated pupil count resides in those facilities.

(e) For the purpose of this section, a special education local plan area may apply for, and the superintendent may grant, a waiver of the standards specified in paragraph (2) of subdivision (b) if the waiver is programmatically justified.

(f) For the 1984–85 fiscal year only, a special education local plan area may apply for, and the superintendent may grant, a waiver of any of the standards and criteria specified in this section if either of the following applies:

(1) Compliance would require the termination of a contract employee in violation of Section 44949 or 44955.

(2) The special education local plan area's duplicated pupil count divided by the number of designated instruction and service units is equal to or greater than 39.

(g) By authorizing units pursuant to this subdivision, the superintendent shall not increase the statewide total number of instructional personnel service units for purposes of state apportionments unless an appropriation specifically for growth in the number of instructional personnel service units is made in the annual Budget Act or other legislation. If such an appropriation is made, units authorized by the superintendent pursuant to this subdivision that result in an increase in the statewide total number of instructional personnel service units are subject to the following restrictions:

(1) The units shall be funded only by such appropriation and no other funds may be apportioned for the units.

(2) All units shall be fully funded pursuant to Chapter 7 (commencing with Section 56700) of Part 30.

(h) This section shall become operative July 1, 1984.

SEC. 16.38. Section 69513.5 is added to the Education Code, to read:

69513.5. In no event shall the director of the commission, any employee of the commission, or any individual retained by the commission serve as chairperson or a member of an advisory committee of the commission. This prohibition shall include, but not be limited to, all advisory committees established by statute and all advisory committees established by the commission.

SEC. 16.4. Section 69532 of the Education Code is amended to read:

69532. There shall be 25,320 new Cal Grant awards for first-time recipients for the 1984–85 fiscal year, and for each fiscal year thereafter. Such grants shall be allocated as follows:

(a) 16,400 awards for the 1984–85 fiscal year, and each fiscal year thereafter, to be utilized for tuition and student fees pursuant to Section 69536.

(b) 7,500 awards for the 1984–85 fiscal year, and for each fiscal year thereafter, to be utilized for tuition, student fees, and subsistence costs pursuant to Section 69538.

(c) 1,420 awards for the 1984–85 fiscal year and each fiscal year thereafter, to be utilized for occupational or technical training pursuant to Sections 69539 through 69543.

The budget required by the State Constitution to be submitted by the Governor at each regular session of the Legislature shall take into consideration the amount of federal funds available through State Student Incentive Grants for the Cal Grant awards.

SEC. 16.43. Section 78305 of the Education Code is amended to read:

78305. Governing boards shall not expend state General Fund moneys to establish and maintain community service classes. Governing boards may charge students enrolled in community service classes a fee not to exceed the cost of maintaining community service classes, or may provide instruction in community service classes for remuneration by contract, or with contributions or donations of individuals or groups. The board of governors shall adopt guidelines defining the acceptable reimbursable costs for which a fee may be charged.

SEC. 16.45. Section 89910 of the Education Code is repealed.

SEC. 16.47. Section 94122 of the Education Code is repealed.

SEC. 16.5. Section 214 of the Financial Code is amended to read:

214. Before entering upon the duties of his office the superintendent shall take and subscribe to the constitutional oath of office and file the same with the Secretary of State.

SEC. 16.6. Section 235 of the Financial Code is amended to read:

235. If the superintendent is unable to perform his duties for more than 30 consecutive days or if the office of the superintendent becomes vacant, the chief deputy shall have all the powers and duties of the superintendent until the return or recovery of the superintendent, or, in case of a vacancy, until a new superintendent is appointed by the Governor and qualifies to hold office.

SEC. 16.7. Section 3106 of the Financial Code is amended to read:

3106. The superintendent, from time to time, under his official seal, may appoint one or more special deputy superintendents as his agent or agents with the powers specified in the certificate of appointment to assist him in the duty of conservation or of liquidation and distribution. The certificate of appointment shall be filed in the office of the superintendent and a certified copy in the office of the clerk of the county in which the head office of the bank is located. The superintendent may employ such counsel and

procure such expert assistance and advice as may be necessary in the liquidation and distribution of the assets of the bank and for that purpose may retain such of the officers or employees of the bank as he may deem necessary.

SEC. 16.8. Section 8002 of the Financial Code is amended to read:

8002. (a) Before entering upon the duties of his or her office, the commissioner shall take and subscribe an oath of office.

SEC. 16.9. Section 102 of the Food and Agricultural Code is amended to read:

102. The department is under the control of a civil executive officer known as the Director of Food and Agriculture who shall receive the salary provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2 of the Government Code. He or she shall be appointed by, and hold office at the pleasure of, the Governor.

SEC. 16.91. Article 6 (commencing with Section 500) of Chapter 3 of Part 1 of Division 1 of the Food and Agricultural Code is repealed.

SEC. 16.92. Section 12795.5 is added to the Food and Agricultural Code, to read:

12795.5. The Ethanol Fuel Revolving Account in the Department of Food and Agriculture Fund is hereby continued in existence and renamed the Agricultural Pest Control Research Account.

SEC. 16.95. Section 7507.5 is added to the Government Code, to read:

7507.5. It is the intent of the Legislature that the Regents of the University of California provide written notice to the Legislature of any proposed changes to retirement plan benefits, employer or employee contribution rates, or actuarial assumptions affecting the University of California Retirement System, at least 60 days prior to the effective date thereof. The written notice shall be provided to the Joint Legislative Budget Committee and the fiscal subcommittees and shall consist of:

(a) A description and explanation of each specific proposed change to the benefit structure, contribution rates, or actuarial assumptions.

(b) The actuarial impact upon future annual costs of each proposed change.

SEC. 18.5. Section 9108 of the Government Code is amended to read:

9108. The first floor of the annex of the State Capitol is excepted from the provisions of this article. Such excepted space shall continue under the control of the Department of General Services. All other space in the State Capitol Building and all annexes and additions thereto, and all space in the state parking garage, as funded pursuant to Item 1760-301-036 of the Budget Act of 1984, shall be allocated from time to time by the Joint Rules Committee in accordance with its determination of the needs of the Legislature and the two houses thereof. Said committee shall allocate such space as it determines to

be necessary for facilities and agencies dealing with the Legislature as a whole, including but not limited to press quarters, billrooms, telephone rooms, and offices for the Legislative Counsel and for committees created by the two houses jointly. Said committee shall allocate to the Senate and Assembly, respectively, the space it determines to be needed by such houses and their committees and the officers, employees, and attachés thereof. The space thus allocated to the Senate and to the Assembly shall be allotted from time to time by the Senate Rules Committee and the Assembly Rules Committee, respectively.

SEC. 20.5. Section 11791 of the Government Code is amended to read:

11791. The provisions of this chapter shall not apply to the University of California, the California State University, the State Compensation Insurance Fund, the community college districts, agencies provided for by Article VI of the Constitution, or the Legislature.

SEC. 21. Section 12016 of the Government Code is amended to read:

12016. (a) The Budget required by the State Constitution to be submitted by the Governor at each regular session of the Legislature shall be submitted within the first 10 days thereof and shall contain a complete plan and itemized statement of all proposed expenditures of the state provided by existing law or recommended by him or her, and all of its institutions, departments, boards, bureaus, commissions, officers, employees and other agencies, and of all estimated revenues, for the ensuing fiscal year, together with a comparison, as to each item of revenues and expenditures, with the actual revenues and expenditures for the last completed fiscal year and the estimated revenues and expenditures for the existing fiscal year.

(b) The Governor, or the Department of Finance acting on his or her behalf, shall make appropriate changes in his or her budget request to reflect any modification in the organization or functions of state government proposed under Article 7.5 (commencing with Section 12080) of Chapter 1 of this part prior to the passage of the Budget.

(c) The provisions of this section shall apply to the budgets for all the following departments and agencies only with respect to the budgets of these departments and agencies for the 1979–80, 1980–81, and 1981–82 fiscal years:

(1) Employment Development Department.
(2) State Department of Education.
(3) California State University.
(4) Department of Water Resources.
(5) Department of Transportation.
(6) State Department of Health Services.
(7) State Department of Social Services.
(8) Department of Motor Vehicles.

(d) The provisions of this section shall apply to the budgets of all

other state entities only with respect to the budgets of those entities until the time the provisions of Sections 12412.1, 13300, 13337, and 13338 become applicable to those entities.

(e) The California State University shall not be subject to the provisions of Sections 12412.1, 13300, 13337, and 13338 related to the implementation of the California Fiscal Information System until the 1986–87 fiscal year.

(f) This section shall remain in effect only until the provisions of Sections 12412.1, 13300, 13337, and 13338 become applicable to those other state entities, and as of that date is repealed, unless a later enacted statute which is chaptered before that date, deletes or extends the date.

SEC. 21.1. Section 12151 of the Government Code is repealed.

SEC. 21.2. Section 12401 of the Government Code is repealed.

SEC. 21.5. Section 12431 is added to the Government Code, to read:

12431. Prior to the payment of any claim from funds appropriated pursuant to Section 7 of Chapter 1123 of the Statutes of 1977, the Controller shall require the claimant to certify in writing that it has attempted to recover its costs pursuant to Sections 1203.1 and 1203.1b of the Penal Code.

SEC. 22. Section 12439 of the Government Code is amended to read:

12439. The Controller shall abolish, effective July 1, any state position which was vacant continuously during the period between October 1 and June 30 of the preceding fiscal year. Those positions which were vacant for the last nine months of a fiscal year because of a hiring freeze in effect during part or all of the nine-month period shall also be abolished unless the need for continuing these positions is provided in written notice to, and approval is granted by, the Director of Finance. The only exceptions to this abolishment are those positions exempt from civil service or those instructional and instruction-related positions authorized for the California State University. No money appropriated by the subsequent Budget Act shall be used to pay the salary of any otherwise authorized state position which is abolished pursuant to this section.

The Controller, no later than the following August 1 of each succeeding fiscal year, shall notify in writing the Department of Finance of any authorized state position which was vacant continuously during such period.

The Controller, no later than the following December 1 of each succeeding fiscal year, shall furnish the Joint Legislative Budget Committee a report on all positions as of July 1 which were unfilled continuously during the period between October 1 and June 30 of the preceding fiscal year.

SEC. 23.2. Section 12501 of the Government Code is repealed.

SEC. 23.3. Section 12802 of the Government Code is repealed.

SEC. 23.4. Section 13003 of the Government Code is repealed.

SEC. 23.5. Section 13305 is added to the Government Code, to

read:

13305. The department shall provide an annual report to the Legislature on tax expenditures. The report shall include each of the following:

(a) A comprehensive list of tax expenditures.

(b) Additional detail on individual categories of tax expenditures.

(c) Historical information on the enactment and repeal of tax expenditures.

SEC. 23.6. Section 13340 of the Government Code is amended to read:

13340. On and after July 1, 1985, no moneys in any fund which, by any statute other than a Budget Act, is continuously appropriated without regard to fiscal years, may be encumbered unless the Legislature, by statute, specifies that the moneys in the fund are appropriated for encumbrance.

SEC. 24. Section 13943.2 of the Government Code is amended to read:

13943.2. Upon authorization of the board a state agency may refrain from collecting taxes, licenses, fees, or money owing to the state for any reason where the amount to be collected is fifty dollars ($50) or less. State agencies desiring to secure such authorization shall file an application therefor with the board accompanied by a statement of circumstances. Nothing contained in this section shall be construed as releasing any person from the payment of any money due the state.

SEC. 25.2. Section 14004 of the Government Code is repealed.

SEC. 25.8. Section 14604 of the Government Code is repealed.

SEC. 27. Section 16113 of the Government Code is amended to read:

16113. (a) Each county auditor shall file a claim with the Controller on or before the last day of August of each year for reimbursement to local governmental agencies for the tax loss attributable to property on the unsecured roll by reason of the reduced assessment ratio of commercial passenger fishing vessels provided for in subdivision (c) of Section 227 of the Revenue and Taxation Code.

(b) Each county auditor shall file a claim with the Controller on or before October 31 of each fiscal year for reimbursement to local governmental agencies for the tax loss attributable to property on the secured roll by reason of the reduced assessment ratio of commercial passenger fishing vessels provided for in subdivision (c) of Section 227 of the Revenue and Taxation Code.

(c) For the 1980–81 fiscal year, and fiscal years thereafter, the amount the state shall reimburse local governmental jurisdictions for revenue loss by reason of the exemption for business inventories provided for in Section 219 of the Revenue and Taxation Code, and for livestock as provided for in Section 5523 of that code, shall be computed as follows:

(1) For the 1980–81 fiscal year, the sum of the reimbursements for

all local governmental jurisdictions within a county shall equal twice the amount of money that would have been allocated for the 1979–80 fiscal year to the jurisdictions if the inventory exemption reimbursement had been predicated on the jurisdictions' share of the proceeds from a countywide property tax rate of four dollars ($4) per one hundred dollars ($100) of assessed valuation including the amount these jurisdictions would have received if that amount had not been subtracted pursuant to the provisions of Section 16117, plus 170 percent of the livestock exemption reimbursement for the 1979–80 fiscal year, with the resulting total sum to be increased by a percentage equal to the State Reimbursement for Inventory Tax Factor.

(2) For the 1981–82 fiscal year the sum of the reimbursements for all local governmental jurisdictions within a county shall be equal to the reimbursement computed for the prior fiscal year, multiplied by 1.0292.

(3) For the 1982–83 fiscal year and each fiscal year thereafter, the sum of the reimbursements for all local governmental jurisdictions within a county shall be equal to the reimbursement computed for the prior fiscal year.

(d) (1) With respect to the 1980–81 fiscal year and each fiscal year thereafter, each county auditor shall file a claim with the Controller on or before October 31 of each fiscal year for reimbursement to local jurisdictions for the amount computed pursuant to subdivision (c).

(2) Proceeds received from the Controller pursuant to these claims shall be apportioned by the auditor to local governmental jurisdictions as property tax revenues pursuant to Chapter 6 (commencing with Section 95) of Part 0.5 of Division 1 of the Revenue and Taxation Code.

(e) For purposes of this section, "State Reimbursement for Inventory Tax Factor" means:

(1) For cities, counties, and special districts: the percentage change in cost of living (as determined pursuant to Section 2212 of the Revenue and Taxation Code) plus the percentage change in the population of the city, county, or special district (as determined pursuant to Section 2227 or 2228 of the Revenue and Taxation Code). The percentage change in the population of a redevelopment agency shall be the percentage change in the population of the city or county in which the redevelopment agency is located.

(2) For school districts, county superintendents of schools and community college districts: the percentage change in the cost of living (as determined pursuant to Section 2212 of the Revenue and Taxation Code) plus the percentage change in the ADA of the school district or community college district.

(f) For the 1982–83 fiscal year, the claim filed pursuant to this section shall not include any reimbursement for any special district identified as an enterprise special district in the State Controller's Annual Report on 1979–80 Financial Transactions of Special Districts, except for districts which provide transit services or operate an

airport. The amounts to be allocated by the auditor to local jurisdictions other than these districts shall equal the amounts allocated to those jurisdictions for the 1981–82 fiscal year.

(g) (1) For the 1983–84 fiscal year and each fiscal year thereafter, the payment made pursuant to this section shall not include any reimbursement attributable to property taxes supporting enterprise-related activities of any special district identified as an enterprise special district in the most recent Controller's Annual Report on Financial Transactions of Special Districts, except for districts which provide transit services or operate an airport.

(2) Notwithstanding the provisions of paragraph (2) of subdivision (d), for the 1983–84 fiscal year, the amounts paid as reimbursement pursuant to this section to be allocated by the auditor to local agencies, as defined by Section 95 of the Revenue and Taxation Code, other than enterprise special districts, as defined in paragraph (1) of this subdivision, shall be in proportion to the amounts allocated to those agencies for the prior fiscal year, as determined by the Director of Finance, adjusted pursuant to paragraph (3) of subdivision (c). The auditor shall adjust the allocation of these amounts, if necessary, to reflect agreements entered into pursuant to Section 99, 99.1, or 99.2 of the Revenue and Taxation Code. No reimbursement shall be made pursuant to subdivision (c) to school entities, as defined by Section 95 of the Revenue and Taxation Code, for the 1983–84 fiscal year or for any fiscal year thereafter.

(3) This subdivision shall be inapplicable to redevelopment agencies.

SEC. 27.02. Section 17300 of the Government Code is amended to read:

17300. Whenever the Controller determines that moneys in the General Fund are, or are expected to be, insufficient for the payment of all appropriations by the Legislature which are required to be paid in the then current fiscal year out of the General Fund, the Controller, based upon his estimate of the probable income to the General Fund during the then current fiscal year and the probable dates of receipt thereof, may draw a demand or demands against appropriations made from the General Fund to be paid in the then current fiscal year prior to the receipt of the income, and deliver the same to the Treasurer. The Treausrer shall register the same for nonpayment and notify the Controller. The Controller shall then notify the Pooled Money Investment Board of the registered demand or demands. The board shall then advise the Governor of the registered demand or demands and of the board's determination as to whether, and the extent to which, any transfers should then be made to the General Fund from other funds or accounts pursuant to Section 16310. Unless the Governor otherwise directs the board within five working days after the notification to the Governor, the board may then authorize the Treasurer to issue and sell notes of the State of California representing the registered demand or demands.

Notes shall be issued only to raise funds in an amount sufficient to satisfy the Controller's registered demand or demands.

SEC. 27.03. Section 17301 of the Government Code is amended to read:

17301. Notes authorized to be issued may be sold by the Treasurer from time to time on a negotiated or a competitive bid basis as the Treasurer shall deem advisable. The Treasurer shall pay the notes and the interest thereon from moneys in the General Fund.

SEC. 27.04. Section 17302 of the Government Code is amended to read:

17302. The issuance of any notes pursuant to this part shall be authorized by a resolution adopted by the Treasurer with the approval of the Controller. Any note (a) may be negotiable, (b) may be payable to order or to bearer, (c) may be in any denomination, (d) shall be payable not later than the last day of the fiscal year in which the note has been issued and shall not be renewable beyond that date, (e) may bear interest at a rate or rates to be determined as provided by the resolution and payable as provided therein, (f) may be payable on a fixed date or upon demand of the holder of the note, and (g) may be made subject to prepayment or redemption at the option of the state or at the option of the holder.

27.06. Section 17312 of the Government Code is repealed.

SEC. 27.07. Section 17313 is added to the Government Code, to read:

17313. It is the intent of the Legislature that this part shall, in all respects, fall within the procedures validated by, and meet the requirements for constitutionality set forth in, the California Supreme Court cases of Riley v. Johnson, (1933), 219 Cal. 513, Riley v. Johnson, (1936), 6 Cal. 2d 529, and Flournoy v. Priest, (1971), 5 Cal. 3d 350.

SEC. 27.11. Section 19996.32 of the Government Code is amended to read:

19996.32. Any state employee, or legislative employee, who is a state miscellaneous member working standard hours on a full-time basis, other than a university member, of the Public Employees' Retirement System and who has attained the age of 62 years and is eligible to retire pursuant to Article 1 (commencing with Section 20950) of Chapter 8 of Part 3 may elect to participate in reduced worktime for partial service retirement pursuant to this article, provided that the participation may be modified only pursuant to Section 19996.37.

SEC. 27.12. Section 19996.33 of the Government Code is amended to read:

19996.33. "Reduced worktime for partial service retirement" means any arrangement of worktime agreeable to both the appointing authority and the employee which aggregates no less, on a monthly basis, than a 20 percent reduction nor more than a 60 percent reduction from what would in that classification be considered full-time employment, combined with the concurrent

payment of proportionally reduced compensation and proportionally reduced retirement benefits. As used in this section, and Section 19996.37, "appointing authority" means, with respect to legislative employees, the Joint Rules Committee, the Joint Legislative Budget Committee, the Joint Legislative Audit Committee, the Senate Rules Committee, and the Assembly Rules Committee.

SEC. 27.13. Section 19996.34 of the Government Code is amended to read:

19996.34. It is the policy of the state that reduced worktime for partial service retirement shall be made available to state employees and legislative employees eligible pursuant to Section 19996.32 who do not desire to work standard working hours on a full-time basis. Further, it is the intent of the Legislature that nothing in this act shall be used to reduce the number of full-time equivalency positions authorized to any department.

SEC. 27.14. Section 19996.37 of the Government Code is amended to read:

19996.37. (a) A permanent state employee or legislative employee who voluntarily reduces his or her worktime for partial service retirement pursuant to this article shall, upon request and subject to subdivision (b), be given priority for returning to a full-time work schedule to the extent that such full-time work is available; provided, that any employee who so voluntarily returns to full-time work shall be ineligible for five years thereafter to again participate pursuant to this article. The appointing authority may require a participating employee to return to full-time employment only if a state of emergency has been declared pursuant to Section 8558 which affects the area of the state in which the employee works.

(b) A state employee or a legislative employee who is participating pursuant to this article in reduced worktime for partial service retirement may: (1) elect only once in each fiscal year to further reduce his or her worktime; (2) elect only once in five years to increase his or her worktime to another less than full-time schedule.

SEC. 27.15. Section 19996.39 of the Government Code is amended to read:

19996.39. All persons employed in reduced worktime positions for partial service retirement pursuant to this article, shall receive proportionally reduced compensation and, on a pro rata basis, except for benefits provided under the Public Employees' Medical and Hospital Care Act, the State Employees' Dental Care Act, and the California Dental Service program, all benefits customarily available to full-time employees of state agencies in similar classes or positions. With regard to benefits provided under the Public Employees' Medical and Hospital Care Act, persons employed in reduced worktime positions for partial service retirement shall receive the same benefits as are provided by law for employees under the same circumstances who are employed, full time. The department may,

for purposes of administrative efficiency, treat the class of partially retired employees as fully employed with respect to health care benefits, provided that such administrative treatment does not impair the level of benefits to which the class would be entitled if treated administratively another way.

SEC. 27.16. Section 20817 is added to the Government Code, to read:

20817. Notwithstanding any other provisions of this part, whenever the employer, by formal action, determines that because of an impending curtailment of, or change in the manner of, performing service, the best interests of the state would be served by encouraging the retirement of legislative employees, and that sufficient economies could be realized to offset any cost to the employer resulting from this section, an additional two years of service shall be credited to legislative employees who are members, pursuant to Section 20364, if the following conditions exist:

(a) The member is credited with five or more years of service and retires during a period not to exceed 120 days or less than 60 days commencing no sooner than the operative date of the formal action of the employer which shall specify such period.

(b) The employer transmits to the retirement fund an amount determined by the board which is equal to the actuarial equivalent of the difference between the allowance the member receives after the receipt of service credit under this section and the amount the member would have received without that service credit. The transfer to the retirement fund shall be made in a manner and time period acceptable to the employer and the board.

The amount of service credit shall be two years regardless of credited service.

Any member who qualifies under this section, upon subsequent reentry to the system shall forfeit the service credit acquired under this section.

This section shall not be applicable to any member otherwise eligible if the member receives any unemployment insurance payments arising out of employment with an employer subject to this part during a period extending one year beyond the operative date of the formal action of the employer or if the member is not eligible to retire without the additional credit available under this section.

As used in this section, "employer" means the Joint Rules Committee, the Joint Legislative Budget Committee, the Joint Legislative Audit Committee, the Senate Rules Committee, and the Assembly Rules Committee, with respect to their respective employees.

SEC. 27.2. Section 22826 of the Government Code is amended to read:

22826. The State of California shall, in addition to the contributions required by Section 22825, contribute additional amounts necessary to provide funds for the administration of this part, and for the establishment and continuation of the Public

Employees' Contingency Reserve Fund.

The additional contributions shall be in amounts reasonably adequate to pay the administrative expenses and to establish and maintain the Public Employees' Contingency Reserve Fund, as determined by the board and as adopted by the Legislature in an appropriate control section of the annual Budget Act, but shall not exceed, for each employee or annuitant, the following amounts:

(1) For administrative expenses—2 percent of the total of the contributions made by the employee or annuitant, and the state on behalf of the employee or annuitant, under a plan.

(2) For the Public Employees' Contingency Reserve Fund—3 percent of the total of the contributions made by the employee or annuitant, and the state on behalf of the employee or annuitant, under a plan to and including June 30, 1978, and 4 percent thereafter.

SEC. 27.4. Section 68842 of the Government Code is repealed.

SEC. 27.55. Section 272 is added to the Health and Safety Code, to read:

272. If the recipient of services provided by the California Children's Services program, his or her guardian, conservator, personal representative, estate, or survivors, or any of them brings an action against a third person who may be liable for the injury, notice of institution of legal proceedings, notice of settlement, and all other notices required by this code shall be given to the State Director of Health Services in Sacramento except in cases where the director specifies that notice shall be given to the Attorney General or to county-managed California Children's Services programs. All of these notices shall be given by the attorney retained to assert the beneficiary's claim, or by the injured party beneficiary, his or her guardian, conservator, personal representative, estate, or survivors, if no attorney is retained.

SEC. 27.56. Section 289.7 of the Health and Safety Code is amended to read:

289.7. (a) Laboratories licensed by the Department of Health Services shall not offer the maternal serum-alpha fetoprotein screening test for prenatal detection of neural tube defects of the fetus until the department has developed regulations, under the authorization granted by Section 151. However, laboratories providing this testing, as of July 21, 1983, may continue to provide this testing until these regulations become operative. The State Department of Health Services shall promulgate regulations pursuant to this section.

(b) The adoption of regulations pursuant to this section shall be deemed to be an emergency, and necessary for the immediate preservation of the public peace, health, safety, and general welfare. Notwithstanding subdivision (h) of Section 11346.1 and Section 11349.6 of the Government Code, the Director of the Department of Health Services shall transmit regulations adopted pursuant to this section directly to the Secretary of State for filing. The regulations shall be filed by the Secretary of State as emergency regulations and

shall become effective immediately.

(c) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, any emergency regulations adopted by the state department pursuant to this section shall not be repealed by the Office of Administrative Law and shall remain in effect until revised or repealed by the state department.

SEC. 27.57. Section 13146.2 is added to the Health and Safety Code, to read:

13146.2. (a) Every city or county fire department or district providing fire protection services required by Sections 13145 and 13146 to enforce building standards adopted by the State Fire Marshal and other regulations of the State Fire Marshal shall, annually, inspect all structures subject to subdivision (b) of Section 17921, except dwellings, for compliance with building standards and other regulations of the State Fire Marshal.

(b) A city, county, or district which inspects a structure pursuant to subdivision (a) may charge and collect a fee for the inspection from the owner of the structure in an amount, as determined by the city, county, or district, sufficient to pay its costs of that inspection.

SEC. 27.58. Section 15075 is added to the Health and Safety Code, to read:

15075. Notwithstanding any other provision of law, plans for the construction or alteration of any hospital building, or any building specified in Section 15071, which are prepared by or under the supervision of the Department of General Services shall not require the review and approval of the statewide office. In lieu of review and approval by the statewide office, the Department of General Services shall certify to the statewide office that the plans are in full conformance with all applicable building standards and the requirements of this chapter. The Department of General Services shall also observe all aspects of construction and alteration, including the architectural, structural, mechanical, plumbing and electrical systems.

It is the intent of the Legislature that projects developed by, or under the supervision of, the Department of General Services shall still meet all applicable building standards published in the State Building Standards Code relating to the regulation of hospital projects where applicable, and all regulations adopted pursuant to this chapter and all other applicable state laws.

SEC. 27.59. Section 25174 of the Health and Safety Code is amended to read:

25174. (a) Each person who disposes of hazardous wastes onsite, or who submits the hazardous waste for disposal offsite, shall pay a fee directly to the State Board of Equalization for disposal of those wastes. The director shall establish a schedule of the fees to be paid to the State Board of Equalization by the operator for disposal of hazardous or extremely hazardous waste, which shall provide revenues which shall not exceed the amount necessary, but shall be

sufficient, to cover all costs incurred in the administration of this chapter and to provide a 5 percent operating reserve. The fees shall be deposited by the State Board of Equalization in the Hazardous Waste Control Account in the General Fund. The funds deposited in that account are continuously appropriated for expenditure without regard to fiscal years for the following purposes:

(1) To the State Board of Equalization to pay refunds of fees collected pursuant to Section 43051 of the Revenue and Taxation Code.

(2) To the department to carry out the provisions of this chapter.

(b) This section shall become operative on January 1, 1985.

SEC. 27.6. Section 25174.1 of the Health and Safety Code is amended to read:

25174.1. Funds deposited in the Hazardous Waste Control Account pursuant to Section 25174 may also be used for all the following:

(a) Covering the costs of environmental epidemiology and health effects studies related to toxic substances, including extremely hazardous waste, as defined in Section 25115, and hazardous waste, as defined in Section 25117.

(b) Support of the Toxic Substance Enforcement program in the Office of the Attorney General.

SEC. 27.61. Section 25174.2 of the Health and Safety Code, as added by Chapter 496 of the Statutes of 1982, is repealed.

SEC. 27.62. Section 25174.6 of the Health and Safety Code is amended to read:

25174.6. (a) Except as otherwise provided in Section 25174.9, the fee provided pursuant to Section 25174 to be paid, until December 31, 1984, by the operators of onsite and offsite hazardous waste facilities for each ton, or fraction thereof, of hazardous waste which the operator disposes of on land or applies to land, shall be at the following rates, and, on or after January 1, 1985, the fee provided pursuant to Section 25174 to be paid by persons disposing of hazardous waste onsite, or submitting hazardous waste for disposal offsite, for each ton, or fraction thereof, of hazardous waste disposed of on land or applied to land, shall be at the following rates:

(1) Two dollars and forty-eight cents ($2.48) for each ton, or fraction thereof, for up to the first 3,500 tons of hazardous waste disposed of, or submitted for offsite disposal, per month, except as provided in subdivision (f), which is not subject to Subchapter III (commencing with Section 6921) of Chapter 82 of Title 42 of the United States Code, pursuant to subsection (b) of Section 6921 of Title 42 of the United States Code and which is not otherwise subject to the fee specified in paragraph (3) or (4), or hazardous waste for which the Administrator of the Environmental Protection Agency has determined that regulation is unwarranted, as specified in subparagraph (C) of paragraph (2) of, and subparagraph (c) of paragraph (3) of, subsection (b) of Section 6921 of Title 42 of the United States Code and which is not otherwise subject to the fee

specified in paragraph (3) or (4). Except as provided in subdivision (f), any of this hazardous waste disposed of, or submitted for offsite disposal, which exceeds 3,500 tons per month, is exempt from any fee imposed by this section.

(2) Two dollars and forty-eight cents ($2.48) for each ton, or fraction thereof, for up to the first 3,500 tons, of hazardous waste disposed of, or submitted for offsite disposal, per month, except as provided in subdivision (f), which result from the extraction, beneficiation, and processing of ores and minerals, including phosphate rock and the overburden from the mining of uranium ore and which is not otherwise subject to the fee specified in paragraph (3) or (4). Except as provided in subdivision (f), any of this hazardous waste disposed of, or submitted for offsite disposal, which exceeds 3,500 tons per month is exempt from any fee imposed by this section.

(3) Nineteen dollars and eighty-four cents ($19.84) for each ton, or fraction thereof, of extremely hazardous waste.

(4) Nineteen dollars and eighty-four cents ($19.84) for each ton, or fraction thereof, of restricted hazardous wastes listed in Section 66900 of Title 22 of the California Administrative Code.

(5) Fifty cents ($0.50) for each ton or fraction thereof of solid hazardous waste residues resulting from incineration or other controlled chemical or physical treatment processes if the department determines that the processes alter the physical properties of the waste being incinerated or treated and effectively remove all free liquids and volatile organic constituents from the waste being incinerated or treated.

(6) Nine dollars and ninety-two cents ($9.92) for each ton, or fraction thereof, for up to the first 3,500 tons of hazardous waste disposed of, or submitted for offsite disposal, per month, of hazardous waste, except as provided in subdivision (f), which is not otherwise subject to the fees specified in paragraph (1), (2), (3), (4) or (5).

(b) The amount of fees payable to the State Board of Equalization pursuant to this section shall be calculated using the total wet weight, measured in tons or fractions thereof, of the hazardous waste in the form in which the hazardous waste existed at the time of disposal, submission for disposal, or application to land using the land disposal methods defined in Section 66122 of Title 22 of the California Administrative Code.

(c) Notwithstanding subdivision (a), the fee rate for hazardous waste disposed of, or submitted for offsite disposal, into a surface impoundment which is double lined, meets the criteria specified in paragraph (1), and for which a report has not been submitted pursuant to paragraph (2), is ninety-nine cents ($0.99) for each ton or fraction thereof, of hazardous waste so disposed of or submitted for disposal. The owner or operator of the surface impoundment shall certify to the State Board of Equalization that the requirements of subparagraphs (A), (B), (C), (D), and (E) of paragraph (1) have been met before the fee rate specified in this subdivision may be

applied to the hazardous waste disposed of, or submitted for disposal, into the surface impoundment.

(1) This subdivision applies only to hazardous waste disposed of, or submitted for disposal, into a surface impoundment which meets all the following criteria:

(A) The surface impoundment is double lined and is equipped with a leachate collection system which is in place and in operation, and complies with existing federal and state regulations and guidance documents published by the United States Environmental Protection Agency prior to July 1, 1984.

(B) The surface impoundment has in place and in operation a minimum of one up-gradient and two down-gradient monitoring wells capable of identifying the migration of any hazardous waste constituents disposed of into the surface impoundment.

(C) The surface impoundment has in place and in operation a vadose zone monitoring system capable of identifying the migration of any hazardous waste constituents disposed of into the surface impoundment from the impoundment into the zone between the surface and the water table.

(D) The surface impoundment has an enforceable site closure plan which initiates closure of the impoundment within 12 years after the surface impoundment is certified pursuant to this subdivision. This plan shall require the surface impoundment, and any surrounding soils contaminated by the impoundment, to be returned to a nonhazardous condition within five years of initiating closure.

(E) The owner or operator has submitted to the department and to the California Regional Water Quality Control Board documentation demonstrating full compliance with subparagraphs (A), (B), (C), and (D).

(2) Upon discovering that, or receiving notification that, a surface impoundment certified for the fee rate specified in this subdivision has leaked or overflowed, and that there is migration into the vadose zone or into the waters of the state, the owner or operator of the surface impoundment shall report the migration to the department and the California Regional Water Quality Control Board within 24 hours after the migration or unauthorized release has been detected. The owner or operator shall transmit a full written report to the department and the regional board within five working days after the detection of the migration. The reporting requirements imposed by this paragraph are in addition to any requirements which may be imposed by Section 13271 of the Water Code. Unless the regional board, or its executive officer, determines that the presence of the hazardous waste constituents in the migration do not pose any short-term or long-term, present or potential, hazards to human health or the environment, the regional board shall issue a cease and desist order pursuant to Section 13301 of the Water Code prohibiting any discharge into the surface impoundment and shall take any other actions which are necessary.

(3) After a surface impoundment has been the subject of a report specified in paragraph (2), the fee rate specified in this subdivision for hazardous waste disposed of, or submitted for disposal, into that surface impoundment shall not apply and the fees shall be calculated pursuant to subdivision (a). The fee rate specified in this subdivision may again be applied to the hazardous waste disposed of, or submitted for disposal, into the surface impoundment only after the department and the California Regional Water Quality Control Board determines that hazardous constituents are no longer migrating from the surface impoundment, and that there is no significant potential for them to migrate from the surface impoundment into the vadose zone or into the waters of the state, so that the presence of the hazardous constituents poses, or would pose, a present or potential hazard to human health or the environment.

(d) All fees imposed by this section shall be paid in accordance with Part 22 (commencing with Section 43001) of Division 2 of the Revenue and Taxation Code.

(e) The fees specified in subdivision (a) shall be effective commencing July 1, 1984, and shall remain in effect only until April 1, 1985.

(f) The monthly tonnage limits on the amount of hazardous waste subject to the fee imposed by this section shall remain in effect only until February 1, 1985, and after that date the fees specified in this section shall apply to all amounts of the hazardous waste disposed of, or submitted for offsite disposal, per month.

SEC. 27.63. Section 25174.7 of the Health and Safety Code is repealed.

SEC. 27.635. Section 25174.7 is added to the Health and Safety Code, to read:

25174.7. (a) The fees provided for in Sections 25174 and 25174.6 do not apply to hazardous wastes which result when a state or local agency, or its contractor, removes or remedies a release of hazardous waste caused by another person. This subdivision applies to all acts performed by a state or local agency, or its contractor, on or after July 1, 1984.

(b) This subdivision does not prevent the department from recovering an amount equal to the full cost of the fees specified in Sections 25174 and 25174.6 from any person responsible for a release of hazardous waste, which has been removed or remedied by a state or local agency, or its contractor. This subdivision shall not limit the department's remedies pursuant to any other provision of law.

SEC. 27.64. Section 25174.8 of the Health and Safety Code is repealed.

SEC. 27.645. Section 25174.8 is added to the Health and Safety Code, to read:

25174.8. Any person who owns or operates a site which is contaminated with hazardous wastes, and who has a written agreement with the department to voluntarily clean up and remove

contaminated soils or sludges from the site, may request that these soils or sludges be exempted by the department from the fees specified in Sections 25174 and 25174.6. The department may exempt from these fees those soils or sludges removed from the site which exceed 2,500 tons per month, and which are removed or transferred to an authorized facility, if all of the following applies:

(a) No disposal of hazardous wastes has occurred at the site undergoing cleanup, or on any portion of the site, from July 1, 1983 to July 1, 1985.

(b) The department has approved a site mitigation and cleanup plan submitted by the owner or operator of the site.

(c) The department determines that granting this exemption will not discourage the use of waste treatment or destruction technologies that would otherwise be economically feasible.

SEC. 27.65. Section 25174.9 of the Health and Safety Code is amended to read:

25174.9. Notwithstanding any other provision of law, the department may, by emergency regulation, increase the amount of the fee established pursuant to Section 25174 or 25174.6 if it determines that the fees established are insufficient to fund the appropriations from the Hazardous Waste Control Account enacted by the Legislature in the annual Budget Act and to provide for a 5 percent operating reserve.

For purposes of the Administrative Procedure Act, the adoption of these regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, and general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, these regulations shall not be subject to review, approval, or repeal by the Office of Administrative Law and shall remain in effect only until April 1, 1985.

SEC. 27.66. Section 25345 of the Health and Safety Code is amended to read:

25345. (a) There is hereby imposed a tax, payable annually, and to be collected by the board, upon each ton or fraction thereof, of waste and material specified in Section 25342, according to the formula specified herein. The board shall set the base tax rate upon the waste and material specified in Section 25342 in accordance with the following formula:

$$\text{Base tax rate} = \frac{10{,}000{,}000}{(0.15W_1 + W_2 + 2W_3 + 0.01W_4)}$$

where:

(1) W_1 is the total amount in tons of waste and material specified in subdivision (a) of Section 25344.

(2) W_2 is the total amount in tons of waste specified in subdivision (b) of Section 25344.

(3) W_3 is the total amount in tons of waste specified in subdivision (c) of Section 25344.

(4) W_4 is the total amount in tons of waste specified in subdivision (d) of Section 25344.

(b) On or before May 1 of each year, using the formula specified in subdivision (a), the board shall determine the base tax rate for the current year.

(c) The tax imposed upon each person subject to Section 25342 shall be assessed according to the following formula:

$$\text{Tax} = (\text{base tax rate}) \times (0.15\ P_1 + P_2 + 2P_3 + 0.01P_4)$$

where:

(1) "Base tax rate" equals the figure determined pursuant to subdivision (a).

(2) P_1 is the amount in tons of waste and material specified by the person pursuant to subdivision (a) of Section 25342.

(3) P_2 is the amount in tons of waste specified by the person pursuant to subdivision (b) of Section 25342.

(4) P_3 is the total amount in tons of waste specified by the person pursuant to subdivision (c) of Section 25342.

(5) P_4 is the total amount in tons of waste specified by the person pursuant to subdivision (d) of Section 25342.

(d) On or before May 1 of each year, the board shall send to each person subject to Section 25342 a notice of assessment.

(e) On or before July 1 of each year, each person subject to Section 25342 shall pay to the board the amount of the assessment as stated in the notice. The tax under this chapter shall not be imposed again on hazardous waste or extremely hazardous waste if the waste, or any portion thereof, is removed subsequently to another place for disposal and if the person has paid the amount of assessment for the waste in accordance with this section before the removal thereof.

(f) Notwithstanding any other provision of this section, hazardous wastes disposed of into an injection well during the 1981 calendar year shall be subject to a tax rate that does not exceed 26.4 percent of the base tax rate, as determined in subdivision (a), per ton or fraction thereof.

(g) For purposes of this article, the following definitions apply:

(1) "Injection well" means a bored, drilled or driven shaft, whose depth is greater than the largest surface dimension, and which is used to inject hazardous waste into an underground formation. Injection well does not mean any well located in class I or a class II–I disposal site, as defined in Sections 2510 and 2511 of Title 23 of the California Administrative Code, on September 25, 1981.

(2) "Formation" means a body of rock characterized by a degree of lithologic homogenity which is prevailingly, but not necessarily, tabular and is mappable on the earth's surface or

traceable in the subsurface.

(3) "Landfarm" means a waste management technique, conducted within a hazardous waste facility which has received a hazardous waste facilities permit or has obtained interim status pursuant to Article 9 (commencing with Section 25200) of Chapter 6.5 of Division 20, or pursuant to Section 6925 of Title 42 of the United States Code. This waste management technique consists of applying oily wastes, biodegradable wastes, or both wastes onto land and incorporating them into the surface of the soil and, by controlling critical parameters of alkalinity and acidity, moisture content, and soil texture, enhancing the aerobic biodegradation of the waste into carbon dioxide, water, and humus. Landfarming is a managed process which changes the physical, chemical, or biological composition of hydrocarbon wastes, and it does not include any other land disposal practices, including, but not limited to, landfilling or codisposal.

(h) The taxes assessed for the 1983 calendar year and due July 1, 1984, and the taxes assessed in all subsequent years, shall be determined pursuant to this section, as amended in the 1984 portion of the 1983–84 Regular Session of the Legislature.

SEC. 27.67. Section 25347 of the Health and Safety Code is amended to read:

25347. (a) In no event shall the total taxes collected in any one fiscal year pursuant to this chapter exceed ten million dollars ($10,000,000). The calculation of the maximum tax for the tax assessed for the 1983 calendar year and due July 1, 1984, and the taxes assessed in all subsequent years, shall be determined pursuant to this section, as amended in the 1983–84 Regular Session of the Legislature.

(b) This section shall not be construed to prevent the board from collecting any taxes which are not paid when due, or from issuing any determination or redetermination pursuant to Sections 43201 and 43304 of the Revenue and Taxation Code. Any such determination of taxes shall be at the tax rates established pursuant to Section 25345 of this code for the period for which the determination is issued.

SEC. 27.68. Section 25371 of the Health and Safety Code is repealed.

SEC. 27.69. Section 25381 of the Health and Safety Code is amended to read:

25381. The board shall adopt, and revise when appropriate, all rules and regulations necessary to implement the provisions of this article, including methods that provide for establishing that a claimant has exercised reasonable diligence in satisfying the conditions specified in Sections 25372 and 25373 and regulations that specify the proof necessary to establish a loss compensable pursuant to this article.

(a) Claims approved by the board under the provisions of this article shall be paid from the state account.

(b) The Legislature may appropriate up to two million dollars ($2,000,000) annually from the state account to be used by the board for the payment of awards pursuant to this article.

(c) Claims against or presented to the board shall not be paid in excess of the amount of money appropriated for this purpose from the state account. These claims shall be paid only when additional money is collected, appropriated, or otherwise added to that account.

SEC. 27.70. Section 25382 of the Health and Safety Code is amended to read:

25382. The board may expend from the state account those sums of money as are reasonably necessary to administer and carry out this article.

SEC. 27.71. Section 44060 of the Health and Safety Code is amended to read:

44060. The department shall prescribe the form of the certificate of compliance or noncompliance. The department shall charge a fee to licensed test stations and repair stations for the issuance by the department to the stations of certificate of compliance or noncompliance forms. The fee charged shall be calculated to allow funding of the department and any other state agency directly involved in the implementation of the motor vehicle inspection program, and shall not exceed the amount reasonably necessary to fund the operation of the program, including all responsibilities, requirements, and obligations imposed upon the department or any of those state agencies by this chapter, which are not otherwise recoverable by license fees pursuant to Section 44034. In no event shall the fee for each certificate of compliance or noncompliance exceed six dollars ($6). It is the intent of the Legislature that the Vehicle Inspection Fund shall maintain a prudent surplus. If the surplus exceeds reasonable costs of administration of the program, the department shall, by regulation, prescribe a lower fee for the certificate of compliance or noncompliance.

SEC. 27.72. Section 44061 of the Health and Safety Code is amended to read:

44061. The fees collected by the department pursuant to Sections 44034 and 44060, and penalties collected pursuant to Section 44050, shall be deposited in the Vehicle Inspection Fund in accordance with the procedures established by the department, and shall be available to the department and any other state agency directly involved in the implementation of the motor vehicle inspection program to carry out its functions and duties specified in this chapter or in any other law, upon appropriation by the Legislature.

SEC. 27.75. Section 12907 of the Insurance Code is repealed.

SEC. 27.8. Section 77 of the Military and Veterans Code is repealed.

SEC. 27.9. Section 165 of the Military and Veterans Code is

repealed.

SEC. 28.4. Section 1046 of the Military and Veterans Code is amended to read:

1046. If it appears necessary or proper that a guardian or conservator of the estate of a veteran be appointed, the court in its discretion may, upon application of the commandant, acting through his designated officer, appoint the home as guardian or conservator of such estate and cause letters of guardianship or conservatorship of such estate to be issued to the home.

For the purposes of this chapter, the home is made a corporation and, acting through an officer designated by the commandant, may act as guardian or conservator of estates, assignee, receiver, depositary or trustee, under appointment of any court or by authority of any law of this state, and transact business in such capacity in like manner as an individual, and for this purpose may sue and be sued in any of the courts of this state.

The home shall be appointed as guardian, conservator, assignee, receiver, depositary, or trustee without bond. The home shall receive such reasonable fees as shall be allowable for its expenses for filing fees and attorneys' fees. The fees paid to the home may be used as a trust account from which may be drawn expenses for filing fees and attorneys' fees in all estates it undertakes to administer. Whenever the balance remaining in the trust account exceeds a sum deemed necessary by the commandant for the payment of the filing fees and attorneys' fees incurred in the various estates, the excess shall be paid annually into the post fund of the home.

The home when acting as guardian or conservator of a veteran may deposit the funds of the estate in the special deposit fund of the home, and may invest and reinvest the funds in securities which are legal investments for savings banks in this state.

SEC. 29. Section 1851.5 of the Probate Code is amended to read:

1851.5. (a) Promptly following the close of each fiscal year, the Controller shall determine the statewide average cost per investigation or review by a court investigator incurred by a county pursuant to Sections 1826, 1850, and 1851 during each fiscal year.

(b) Except as provided in Section 6102 of the Government Code, each county shall annually assess the estate of each conservatee in the county for any investigation or review conducted by a court investigator at county expense with respect to that person pursuant to Section 1826, 1850, or 1851, at the rate determined by the Controller pursuant to subdivision (a). No assessment may be collected except upon termination of the conservatorship by death or court order. A county may waive any or all of an assessment against an estate, on the basis of hardship, where the conservatorship of a living person is terminated by court order.

(c) Any amount otherwise owing to a county pursuant to Article XIII B of the California Constitution and Sections 2231 and 2234 of the Revenue and Taxation Code for costs incurred by the county for the costs of investigation or review by court investigators pursuant to Sections 1826, 1850, and 1851 shall be reduced by the amount of any assessments actually collected during the fiscal year pursuant to subdivision (b).

SEC. 29.2. Section 502 of the Public Resources Code is repealed.

SEC. 29.4. Section 602 of the Public Resources Code is repealed.

SEC. 29.6. Section 702 of the Public Resources Code is repealed.

SEC. 30. Section 6217 of the Public Resources Code, as amended by Section 2 of Chapter 1311 of the Statutes of 1983, is amended to read:

6217. With the exception of revenues derived from state school lands and from sources described in Sections 6217.6, 6301.5, 6301.6, 6855, and 8551 to 8558, inclusive, and Section 6406 (insofar as the proceeds are from property which has been distributed or escheated to the state in connection with unclaimed estates of deceased persons), the commission shall deposit in the State Treasury all revenues, moneys, and remittances received by it under this division, and under Chapter 138 of the Statutes of 1964, First Extraordinary Session, and such sums shall be applied to the following obligations in the following order:

(a) To the General Fund such revenue as necessary to provide in any fiscal year for the following:

(1) Payment of refunds, authorized by the commission and approved by the State Board of Control, out of appropriations made for that purpose by the Legislature.

(2) Payment of expenditures of the commission as provided in the annual Budget Act approved by the Legislature.

(3) Payments to cities and counties of the amounts specified in Section 6817 for the purposes specified in that section, and the revenues so deposited are appropriated for such purpose.

(4) Payments to cities and counties of the amounts agreed to pursuant to the provisions of Section 6875.

(b) To the California Water Fund each fiscal year the amount of twenty-five million dollars ($25,000,000).

(c) To the Central Valley Water Project Construction Fund each fiscal year the amount of five million dollars ($5,000,000).

(d) To the Resources Agency, the amount of five hundred thousand dollars ($500,000) for each of the fiscal years 1984–85, 1985–86, 1986–87, 1987–88, and 1988–89 for distribution for public and private higher education for use as up to two-thirds of the local matching share for projects under the National Sea Grant College and Program Act of 1966 (P.L. 89-688) approved, upon the recommendation of the advisory panel appointed pursuant to this

section, by the Secretary of the Resources Agency or his or her designee. During the 1988–89 fiscal year, the Legislature shall consider recommendations from the Secretary of the Resources Agency and other interested parties on the benefits to the people of the State of California derived from this program and shall determine whether or not to continue similar appropriations for subsequent fiscal years.

There shall be an advisory panel to the Secretary of the Resources Agency consisting of 13 members, which shall do all of the following:

(1) Identify state needs which might be met through Sea Grant research projects, including, but not limited to, such fields as living marine resources, aquaculture, ocean engineering, marine minerals, public recreation, coastal physical processes and coastal and ocean resources planning and management, and marine data acquisition and dissemination, establish priorities for those needs, and transmit those needs and priorities to the Legislature not later than January 1 of each year and include them in all announcements of proposals for grants in the following fiscal year.

(2) Review all applications for funding under this section and make recommendations based upon the priorities it establishes.

(3) Periodically review progress on sea grant research projects subsequent to their approval and funding under this section.

(4) Make recommendations to the Secretary of the Resources Agency with respect to the implementation of this section.

The Secretary of the Resources Agency shall appoint the following members of the advisory panel, who shall serve at the pleasure of the secretary:

(1) A representative of the Department of Boating and Waterways.

(2) A representative of the Department of Conservation.

(3) A representative of the Department of Fish and Game.

(4) The executive director of the California Coastal Commission or his or her designee.

(5) A representative of the fish industry.

(6) A representative of the aquaculture industry.

(7) A representative of the ocean engineering industry.

(8) A representative of the University of California.

(9) A representative of the California State University.

(10) A representative of a private California institution of higher education which is participating in the National Sea Grant Program.

(11) A representative of the State Lands Commission.

The Senate Committee on Rules shall appoint one Member of the Senate to the panel, who shall serve at the pleasure of the Senate Committee on Rules.

The Speaker of the Assembly shall appoint one Member of the Assembly to the panel, who shall serve at the pleasure of the Speaker. This member shall not be of the same political party as

the member appointed by the Senate Committee on Rules.

The Secretary of the Resources Agency shall designate one member of the panel to serve as its chairman. Panel members shall serve without compensation.

The Sea Grant research projects selected for state support under this section shall have a clearly defined benefit to the people of the State of California. The Legislature hereby finds and declares that the funding provided by this section is needed to stimulate the development and utilization of ocean and coastal resources by working constructively with private sector firms and individuals. Nothing in this section shall be construed to preclude the application for funding of any project which would be eligible for funding under the terms of the National Sea Grant College and Program Act of 1966.

(e) To the Capital Outlay Fund for Public Higher Education for the 1984–85 fiscal year the amount of one hundred five million seven hundred thousand dollars ($105,700,000), and for each fiscal year thereafter, the amount necessary to provide for an unencumbered balance available for appropriation on July 1 of each fiscal year of one hundred twenty-five million dollars ($125,000,000).

(f) (1) To the State School Building Lease-Purchase Fund, for each of the fiscal years 1985–86, 1986–87, 1987–88, and 1988–89, the amount of one hundred twenty-five million dollars ($125,000,000).

(2) For the fiscal years 1984–85, 1985–86, 1986–87, 1987–88, and 1988–89, up to 5 percent of the amounts deposited in the State School Building Lease-Purchase Fund pursuant to this section or any other provision of law may be spent in accordance with Sections 17785 to 17795, inclusive, of the Education Code (Emergency School Classroom Law of 1979).

(g) To the Energy and Resources Fund each fiscal year, commencing with the 1985–86 fiscal year, the amount of sixty-five million dollars ($65,000,000).

(h) To the Special Account for Capital Outlay, the amount of one hundred three million nine hundred thirty-eight thousand dollars ($103,938,000).

(i) An amount of up to twenty-four million six hundred seventy-four thousand dollars ($24,674,000) shall be deposited in the unappropriated surplus of the General Fund. For the 1984–85 fiscal year, this transfer shall be in lieu of any transfer pursuant to Section 6 of Chapter 904 of the Statutes of 1980.

The commission may, with the approval of the State Board of Control, authorize the refund of moneys received or collected by it illegally or by mistake, inadvertence, or error. Claims authorized by the commission and approved by the State Board of Control shall be filed with the Controller and the Controller shall draw his warrant against the General Fund in payment of such refund from any appropriation made for that purpose.

All references in any law to Section 6816 shall be deemed to

refer to this section.

SEC. 30.3. Section 25208 of the Public Resources Code is repealed.

SEC. 30.5. Section 26407 of the Public Resources Code is repealed.

SEC. 31.2. Section 17052.8 of the Revenue and Taxation Code is amended to read:

17052.8. (a) (1) There shall be allowed as a credit against the amount of "net tax" (as defined in Section 17039, an amount equal to the amount determined in paragraph (2), (3), or (5).

(2) Except as provided in paragraphs (3) and (5), the amount of the credit allowed by this section shall be 40 percent of the cost (as defined in paragraph (7)) incurred by the taxpayer for energy conservation measures installed on premises in California which are owned by the taxpayer at the time of installation. For energy conservation measures which are installed on or after August 1, 1983, the percentage specified in the preceding sentence shall be 35 percent (in lieu of 40 percent). The credit shall not exceed one thousand five hundred dollars ($1,500) for each premises. The owner of the premises on which the energy conservation measures are installed may claim the tax credit for costs incurred; however, an owner-builder or owner-developer of new dwellings may elect not to claim the energy conservation tax credit for any or all energy conservation measures installed on new dwellings. If an owner-builder or owner-developer irrevocably elects not to claim the tax credit for energy conservation measures, the original purchaser of the new dwelling on which the measures are installed may claim the credit provided that the purchaser can confirm the election by a written document signed by the owner-builder or owner-developer.

The energy conservation tax credit shall be claimed in the state income tax return for the taxable year in which the energy conservation measures were installed. However, if an owner-builder or owner-developer irrevocably elects not to claim the tax credit for energy conservation measures, the original purchaser of the new dwelling on which the energy conservation measures are installed may claim the credit in the taxable year during which the purchaser's escrow closed or the taxable year during which the purchaser acquired legal title to the dwelling.

A taxpayer who claimed the energy conservation tax credit in the state income tax return for the taxable year in which the energy conservation measure was installed, may in any subsequent year claim an energy conservation tax credit for additional energy conservation measures installed in that tax year.

(3) With regard to premises in California which are owned by the taxpayer, other than dwellings, on which the cost of the measures (as defined in paragraph (7)) exceeds six thousand dollars ($6,000), the amount of the credit allowed by this section shall be 25 percent of the cost (as defined in paragraph (7)) of the

energy conservation measures.

(4) (A) If energy conservation measures serve two or more dwelling units, the owner or owners of the dwellings shall be eligible to receive the credit in proportion to the number of dwelling units served. The amount of the credit shall be determined by dividing the cost (as defined in paragraph (7)) of the energy conservation measures by the number of dwelling units served by the energy conservation measures, and applying the formula described in paragraph (2) or (5) to the per dwelling cost.

(B) In the case of a taxpayer who qualifies for a refund provided for under this subdivision, whose credits exceed tax liability computed under this part, minus all other credits provided for in this part, except the credits provided in Sections 17053.5, 17061, and 18551.1, such taxpayer shall be allowed a credit to the extent of the taxpayer's tax liability plus a refund in excess of that amount up to, or combined credit and refund equal to, the credit otherwise provided in this section. For the purposes of this subdivision, a taxpayer qualified for a refund means an individual taxpayer whose adjusted gross income is less than fifteen thousand dollars ($15,000) and married taxpayers filing joint returns whose adjusted gross income is less than thirty thousand dollars ($30,000), in the taxable year in which the credit provided in this section is claimed. This subparagraph shall not apply to taxable years beginning on or after January 1, 1982.

(5) Taxpayers who partially own and partially lease on premises in California which are owned by the taxpayer energy conservation measures from a utility or other lessor shall receive a tax credit as provided in subparagraph (A) or (B).

(A) Except as provided in subparagraph (B), the credit provided by this paragraph shall equal 40 percent of the cost (as defined in paragraph (7)) of the purchased portion and 40 percent of the principal recovery portion (as defined in paragraph (7)) of the lease payments for the first three years of operation or until the energy conservation tax credit terminates, whichever occurs first. For energy conservation measures which are installed on or after August 1, 1983, the percentage specified in the preceding sentence shall be 35 percent (in lieu of 40 percent). The credit shall not exceed one thousand five hundred dollars ($1,500) for each premises.

(B) In the case of premises, other than dwellings, on which the cost (as defined in paragraph (7)) incurred by the lessor exceeds six thousand dollars ($6,000), the credit provided by this paragraph shall equal 25 percent of the cost (as defined in paragraph (7)) of the purchased portion and 25 percent of the principal recovery portion (as defined in paragraph (7)) of the lease payments for the first three years of operation or until the energy conservation tax credit terminates, whichever occurs first.

(6) For purposes of computing the credit provided by this

section and the basis of the property, the cost of any energy conservation measure eligible for the credit provided by this section shall be reduced by the amount of any grant or any nonreimbursable financial assistance (other than interest charges) provided by a utility or a public entity.

(7) For the purposes of computing the credit provided by this section, "cost" shall include installation charges, but shall exclude interest charges. In the case of measures which are leased, "cost" shall mean the principal recovery portion of monthly lease payments. "Principal recovery portion" means the cost incurred by the lessor in acquiring the energy conservation measures, but does not include interest charges, sales taxes, or maintenance expenses.

(b) The basis of any energy conservation measure for which a credit is allowed shall be reduced by the amount of the credit. The basis adjustment shall be made for the taxable year for which the credit is allowed.

(c) With the exception of a husband and wife, if there is more than one owner of a premises on which energy conservation measures are installed, each owner shall be eligible to receive the energy conservation tax credit in proportion to his or her ownership interests in the premises. In the case of a partnership, the energy conservation tax credit may be divided between the partners pursuant to a written partnership agreement. In the case of a husband or wife who files a separate return, the credit may be taken by either or equally divided between them.

(d) The tax credit provided by this section shall not apply to trusts or estates subject to tax under this part.

(e) In the case where the credit allowed under this section exceeds the "net tax" for the taxable year, that portion of the credit which exceeds such "net tax" may be carried over to the "net tax" in succeeding taxable years, with respect to which this section shall remain in effect for purposes of carrying over excess credit until such credit is used. The credit shall be applied first to the earliest years possible. With regard to energy conservation measures installed between August 1, 1983, and December 31, 1983, no more than 50 percent of the allowable credits under this section shall be applied against the taxpayer's "net tax" for the 1983 taxable year. The remaining portion of the credit shall be carried over to succeeding taxable years until that credit is used.

(f) The Energy Resources Conservation and Development Commission shall, after one or more public hearings, adopt regulations which establish minimum standards which any item of a generic category of energy conservation measure, as defined by this section, must meet to be eligible for an energy conservation tax credit. Such standards shall include minimum provisions for effectiveness, safety and consumer protection which are consistent with standards established pursuant to the National Energy Conservation Policy Act and other applicable federal and

state law. The Franchise Tax Board shall prescribe such regulations as may be necessary to carry out the purposes of this section. Regulations adopted by the Energy Resources Conservation and Development Commission and the Franchise Tax Board, pursuant to this section, shall be in language which is easily understood by the general public.

(g) (1) If a federal income tax credit is enacted for costs incurred by a taxpayer for the purchase and installation of energy conservation measures in dwelling units, then to the extent such credit is allowed or allowable for an energy conservation measure as defined in this section, the state credit provided in paragraph (2) of subdivision (a) shall be reduced so that the combined effective credit shall not exceed either 40 percent or 35 percent, as provided in paragraph (2) and subparagraph (A) of paragraph (5) of subdivision (a), of the costs, notwithstanding the carryover provisions of subdivision (e).

(2) If a federal income tax credit is enacted for costs incurred by a taxpayer for the purchase and installation of energy conservation measures in other than dwelling units, then to the extent such credit is allowed or allowable for an energy conservation measure as defined in this section, the state credit provided in paragraphs (2) and (3) of subdivision (a) shall be reduced by the amount of such federal credit.

(h) For purposes of this section:

(1) "Installed" means placed in position in a functionally operative state.

(2) "Owner" includes duly recorded holders of legal title, lessees with at least three years remaining on their lease, a person purchasing premises under a contract of sale, or who holds shares or membership in a cooperative housing corporation, which holding is a requisite to the exclusive right of occupancy to the premises, a person who is a member of a nonprofit corporation or association which is a duly recorded holder of legal title, or a person who is a member of a nonprofit corporation or association which is a lessee with at least three years remaining on its lease.

(3) "Premises" means land, buildings, or mobilehomes.

(4) "Dwelling" means a building used for residential purposes, and includes single-family residences, mobilehomes, and individual units of apartments, condominiums, cooperatives, or other similar multiple dwellings.

(5) "Energy conservation measure" means any item with a useful life of not less than three years of one of the following generic categories which meets the minimum standards as specified pursuant to subdivision (f):

(A) Ceiling insulation.

(B) Weatherstripping of all doors and windows which lead to unheated or uncooled areas so as to effectively and reliably limit air infiltration.

(C) An external water heater insulation blanket.

(D) Low flow devices on all accessible shower heads.

(E) Caulking or sealing of all major cracks and joints and other openings in building exteriors to reduce the loss of heated or cooled air or the entry of outside air where feasible, and sealing of wall outlets.

(F) Insulation of all accessible supply and return heating and cooling system ducts and plenums which are located in unheated or uncooled areas and sealing of all duct and plenum joints with pressure-sensitive tape or mastic.

(G) Wall insulation.

(H) Floor insulation in premises with electrical resistance heating.

(I) Ventilation cooling fans, attic ventilators, and economizer systems.

(J) Heat pumps and water heating heat pumps (including those which use are, water, or earth as a source or sink of heat) which replace electric resistance heaters or are used in conjunction with a solar energy system.

(K) Covers for swimming pools or hot tubs which transmit the sun's radiation energy into the water or reduce heat loss or water evaporation.

(L) For existing dwellings, such other measures or devices as may be designated "residential energy conservation measures" approved and adopted as part of the operational California plan approved in 1983 pursuant to Section 456.204 of Title 10 of the Code of Federal Regulations and maintained under the authority of this section until December 31, 1985, or an appropriate operational Residential Conservation Service Plan pursuant to the provisions of Section 210 of Title II of the National Energy Conservation Policy Act (92 Stat. 3206) and recommended as the result of an audit conducted under the auspices of such a plan. This generic category includes, but is not limited to:

(i) Electrical or mechanical furnace ignition systems which replace gas pilot lights.

(ii) Devices modifying the openings of heating and cooling systems which achieve increased efficiency.

(iii) Storm or thermal windows or doors for the exterior of dwellings, evaporative coolers, heat absorbing or heat reflective glazed windows and door materials, exterior shading devices, and movable insulation such as shutters or thermal drapes, which substantially reduce the energy needed for space heating and cooling.

(iv) Load management devices to reduce the direct or indirect use of electricity through interruption, storage or load limiting.

(v) Floor insulation except as specified in subparagraph (H).

(M) For existing dwellings where there is no operational Residential Conservation Service (RCS) Plan certified in accordance with this section or in regions where such a plan does not provide energy audits, and for premises, other than dwellings:

(i) Electrical or mechanical furnace ignition systems which replace gas pilot lights.

(ii) Devices modifying the openings of restaurant food preparation appliances or heating and cooling systems so as to achieve increased energy efficiency.

(iii) Storm or thermal windows or doors for the exterior of dwellings, evaporative coolers, heat absorbing or heat reflective glazed windows and door materials, exterior shading devices, and movable insulation such as shutters or thermal drapes, which substantially reduce the energy needed for space heating and cooling, and glazing materials (other than doors and windows), controls or automatic switching devices for effective use of natural light to replace electric interior lighting which result in a net energy savings.

(iv) Load management devices to reduce the direct or indirect use of electricity through interruption, storage or load limiting.

(v) Floor insulation, except as specified in subparagraph (H).

(N) For newly constructed dwellings:

(i) Storm or thermal windows or doors for the exterior of dwellings.

(ii) Evaporative coolers.

(iii) Heat absorbing or heat reflective glazed windows and door materials.

(iv) Exterior shading devices.

(v) Movable insulation such as shutters or thermal drapes.

(vi) Load management devices.

(vii) Floor insulation.

Energy conservation measures in the generic categories of subparagraphs (A), (B), (C), (D), (E), and (F) installed in multifamily dwelling units, and (G), (H), (I), (J), (L), (M), and (N) installed in any premises, shall be ineligible as energy conservation measures and shall have no force or effect in the computation of taxes for taxable years which begin after December 31, 1985. State agencies shall ensure that taxpayers may qualify for a tax credit under the provisions of subparagraph (L) until the termination date set forth in this paragraph.

Energy conservation measures in the generic categories of subparagraphs (A), (B), (C), (D), (E), and (F), installed in premises other than multifamily dwelling units, and (K) installed in any premises shall be ineligible as energy conservation measures and shall have no force or effect in the computation of taxes for taxable years which begin after December 31, 1986.

Any unused credit may be used beyond the date specified on the same basis and to the same extent as permitted under the law in effect immediately prior to that date.

(6) The energy conservation tax credit provided by this section shall also apply to the cost of conducting energy audits and engineering feasibility studies resulting therefrom.

(7) "Operational Residential Conservation Service Plan"

means the operational California plan approved in 1983 pursuant to Section 456.204 of Title 10 of the Code of Federal Regulations and maintained under the authority of this section until December 31, 1985, or a Residential Conservation Service (RCS) Plan, developed pursuant to the provisions of Section 210 of Title II of the National Energy Conservation Policy Act (92 Stat. 3206), and which provides energy audits for measures identified in this section in accordance with the requirements of such an RCS Plan. The Energy Resources Conservation and Development Commission shall, after at least one public hearing, certify when participating utilities identified in the California Plan for the Residential Conservation Service dated January 1981, have operational RCS Plans. In the case of a publicly owned utility, a Residential Conservation Service Plan developed pursuant to the provisions of Section 210 of Title II of the National Energy Conservation Policy Act (92 Stat. 3206), shall be certified by the governing board of the publicly owned utility to be operational. Certification that a plan is operational by the commission or the governing board of a publicly owned utility shall occur only after a finding is made that audits are available to utility customers within the time specified in the appropriate approved plan.

(i) In lieu of claiming the tax credit provided by this section, the taxpayer may elect to take depreciation pursuant to Section 17253. In addition, the taxpayer may take depreciation pursuant to that section for the cost of an energy conservation measure in excess of the amount of the tax credit claimed under this section.

(j) No tax credit may be claimed under this section for any expenditures which have been otherwise claimed as a tax credit for the taxable year in which the energy conservation measure was installed or for any prior taxable year.

(k) No credit shall be allowed under this section if the amount would (but for this subdivision) be less than ten dollars ($10).

(*l*) (1) Except as provided in paragraph (2) of this subdivision, the tax credit provided by this section shall not apply to energy conservation measures required by state laws and regulations pursuant thereto, at the time of installation.

(2) Notwithstanding the provisions of paragraph (1), a credit shall be allowed for energy conservation measures specified in subparagraph (K) of paragraph (5) of subdivision (h).

This section shall remain in effect only until January 1, 1987, and as of that date is repealed, unless a later enacted statute, which is chaptered before that date, deletes or extends that date.

SEC. 31.35. Section 19286.7 of the Revenue and Taxation Code is amended to read:

19286.7. Notwithstanding any other provision of law, the State Department of Social Services shall annually inform the Franchise Tax Board of the names and social security numbers of all applicants for or recipients of public social services programs.

The Franchise Tax Board, upon receipt of such information,

shall inform the State Department of Social Services of any such applicant or recipient who received interest or dividends within the prior calendar year, as reflected on magnetic tape information returns supplied to the Franchise Tax Board by payors, or on the magnetic tape prepared by the Franchise Tax Board which reflects paper information returns supplied to the Franchise Tax Board by payors. In addition, the Franchise Tax Board shall provide, from those sources, the State Department of Social Services with information identifying the amount of the interest or dividends paid, and the address and the name of the payor thereof.

The Franchise Tax Board shall return all information received from the State Department of Social Services after completing the exchange of information with the State Department of Social Services.

SEC. 31.4. Section 23601.5 of the Revenue and Taxation Code is amended to read:

23601.5. (a) (1) There shall be allowed as a credit against the taxes imposed by this part (except the minimum franchise tax and the tax on preference income), an amount equal to the amount determined in paragraph (2), (3), or (5).

(2) Except as provided in paragraphs (3) and (5), the amount of the credit allowed by this section shall be 40 percent of the cost (as defined in paragraph (7)) incurred by the taxpayer for energy conservation measures installed on premises in California which are owned by the taxpayer at the time of installation. For energy conservation measures which are installed on or after August 1, 1983, the percentage specified in the preceding sentence shall be 35 percent (in lieu of 40 percent). The credit shall not exceed one thousand five hundred dollars ($1,500) for each premises. The owner of the premises on which the energy conservation measures are installed may claim the tax credit for costs incurred; however, an owner-builder or owner-developer of new dwellings may elect not to claim the energy conservation tax credit for any or all measures installed on new dwellings. If an owner-builder or owner-developer irrevocably elects not to claim the tax credit for energy conservation measures, the original purchaser of the new dwelling on which the measures are installed may claim the credit, provided that the purchaser can confirm the election by a written document signed by the owner-builder or owner-developer.

The energy conservation tax credit shall be claimed in the state return for the income year in which the energy conservation measures were installed; however, if an owner-builder or owner-developer irrevocably elects not to claim the tax credit for energy conservation measures, the original purchaser of the new dwelling on which the measures are installed may claim the credit in the year during which the purchaser's escrow closed or the year during which the purchaser acquired legal title to the dwelling.

A taxpayer who claimed the energy conservation tax credit in the state income tax return for the year in which the energy conservation measures were installed, may in any subsequent year claim an energy conservation tax credit for additional energy conservation measures installed in that year.

(3) With regard to premises in California which are owned by the taxpayer, other than a dwelling, on which the cost of the measures (as defined in paragraph (7)) exceeds six thousand dollars ($6,000), the amount of the credit allowed by this section shall be 25 percent of the cost (as defined in paragraph (7)) of the energy conservation measure.

(4) If energy conservation measures serve two or more dwelling units, the owner or owners of the dwellings shall be eligible to receive the credit in proportion to the number of dwelling units served. The amount of the credit shall be determined by dividing the cost (as defined in paragraph (7)) of the energy conservation measures by the number of dwelling units served by the measures, and applying the formula described in paragraph (2) or (5) to the per dwelling cost.

(5) Taxpayers who partially own and partially lease on premises in California which are owned by the taxpayer energy conservation measures from a utility or other lessor shall receive a tax credit as provided in subparagraph (A) or (B).

(A) Except as provided in subparagraph (B), the credit provided by this paragraph shall equal 40 percent of the cost (as defined in paragraph (7)) of the purchased portion and 40 percent of the principal recovery portion (as defined in paragraph (7)) of the lease payments for the first three years of operation or until the energy conservation tax credit terminates, whichever occurs first. For energy conservation measures which are installed on or after August 1, 1983, the percentage specified in the preceding sentence shall be 35 percent (in lieu of 40 percent). The credit shall not exceed one thousand five hundred dollars ($1,500) for each premises.

(B) In the case of premises, other than dwellings, on which the cost (as defined in paragraph (7)) incurred by the lessor exceeds six thousand dollars ($6,000), the credit provided by this paragraph shall equal 25 percent of the cost (as defined in paragraph (7)) of the purchased portion and 25 percent of the principal recovery portion (as defined in paragraph (7)) of the lease payments for the first three years of operation or until the energy conservation tax credit terminates, whichever occurs first.

(6) For purposes of computing the credit provided by this section and the basis of the property, the cost of any energy conservation measure eligible for the credit provided by this section shall be reduced by the amount of any grant or any nonreimbursable financial assistance (other than interest charges) provided by a utility or a public entity.

(7) For the purposes of computing the credit provided by this

section, "cost" shall include installation charges, but shall exclude interest charges. In the case of measures which are leased, "cost" shall mean the principal recovery portion of monthly lease payments. "Principal recovery portion" means the cost incurred by the lessor in acquiring the energy conservation measures but does not include interest charges, sales taxes, or maintenance expenses.

(b) The basis of any system for which a credit is allowed shall be reduced by the amount of the credit. The basis adjustment shall be made for the income year for which the credit is allowed.

In the case of a partnership, the energy conservation tax credit may be divided between the partners pursuant to a written partnership agreement.

(c) In the case where the credit allowed under this section exceeds the taxes imposed by this part (except the minimum franchise tax and the tax on preference income) for the income year, that portion of the credit which exceeds such taxes may be carried over to the taxes imposed by this part (except the minimum franchise tax and the tax on preference income) in succeeding income years, with respect to which this section shall remain in effect for purposes of carrying over excess credit until such credit is used. The credit shall be applied first to the earliest years possible. With regard to energy conservation measures installed between August 1, 1983, and December 31, 1983, no more than 50 percent of the allowable credits under this section shall be applied against the taxpayer's "net tax" for the 1983 income year. The remaining portion of the credit shall be carried over to succeeding income years until that credit is used.

(d) The Energy Resources Conservation and Development Commission shall, after one or more public hearings, adopt regulations which establish minimum standards which any item of a generic category of energy conservation measure, as defined by this section, must meet to be eligible for an energy conservation tax credit. Such standards shall include minimum provisions for effectiveness, safety and consumer protection which are consistent with standards established pursuant to the National Energy Conservation Policy Act and other applicable federal and state law. The Franchise Tax Board shall prescribe such regulations as may be necessary to carry out the purposes of this section. Regulations adopted by the Energy Resources Conservation and Development Commission and the Franchise Tax Board, pursuant to this section, shall be in language which is easily understood by the general public.

(e) (1) If a federal income tax credit is enacted for costs incurred by a taxpayer for the purchase and installation of energy conservation measures in dwelling units, then to the extent such credit is allowed or allowable for an energy conservation measure as defined in this section, the state credit provided in paragraph (2) of subdivision (a) shall be reduced so that the combined

effective credit shall not exceed either 40 percent or 35 percent, as provided in paragraph (2) and subparagraph (A) of paragraph (5) of subdivision (a), of the costs, notwithstanding the carryover provisions of subdivision (c).

(2) If a federal income tax credit is enacted for costs incurred by a taxpayer for the purchase and installation of energy conservation measures in other than dwelling units, then to the extent such credit is allowed or allowable for an energy conservation measure as defined in this section, the state credit provided in paragraphs (2) and (3) of subdivision (a) shall be reduced by the amount of such federal credit.

(f) The following definitions govern construction of this section:

(1) "Installed" means placed in position in a functionally operative state.

(2) "Owner" includes duly recorded holders of legal title, lessees with at least three years remaining on their lease, a person purchasing premises under a contract of sale, or who holds shares or membership in a cooperative housing corporation, which holding is a requisite to the exclusive right of occupancy to the premises, a person who is a member of a nonprofit corporation or association which is a duly recorded holder of legal title, or a person who is a member of a nonprofit corporation or association which is a lessee with at least three years remaining on its lease.

(3) "Premises" means land, buildings, or mobilehomes.

(4) "Dwelling" means a building used for residential purposes, and includes single-family residences, mobilehomes and individual units of apartments, condominiums, cooperatives, or other similar multiple dwellings.

(5) "Energy conservation measure" means any item with a useful life of not less than three years of one of the following generic categories which meets the minimum standards as specified pursuant to subdivision (d):

(A) Ceiling insulation.

(B) Weatherstripping of all doors and windows which lead to unheated or uncooled areas so as to effectively and reliably limit air infiltration.

(C) An external water heater insulation blanket.

(D) Low flow devices on all accessible shower heads.

(E) Caulking or sealing of all major cracks and joints and other openings in building exteriors to reduce the loss of heated or cooled air or the entry of outside air where feasible, and sealing of wall outlets.

(F) Insulation of all accessible supply and return heating and cooling system ducts and plenums which are located in unheated or uncooled areas and sealing of all duct and plenum joints with pressure-sensitive tape or mastic.

(G) Wall insulation.

(H) Floor insulation in premises with electrical resistence

heating.

(I) Ventilation cooling fans; attic ventilators, and economizer systems.

(J) Heat pumps and water heating heat pumps (including those which use air, water, or earth as a source or sink of heat) which replace electric resistance heaters or are used in conjunction with a solar energy system.

(K) Covers for swimming pools or hot tubs which transmit the sun's radiation energy into the water or reduce heat loss or water evaporation.

(L) For existing dwellings, such other measures or devices as may be designated "residential energy conservation measures" approved and adopted as part of the operational California plan approved in 1983 pursuant to Section 456.024 of Title 10 of the Code of Federal Regulations and maintained under the authority of this section until December 31, 1985, or an appropriate operational Residential Conservation Service Plan pursuant to the provisions of Section 210 of Title II of the National Energy Conservation Policy Act (92 Stat. 3206) and recommended as the result of an audit conducted under the auspices of such a plan. This generic category includes, but is not limited to:

(i) Electrical or mechanical furnace ignition systems which replace gas pilot lights.

(ii) Devices modifying the openings of heating and cooling systems which achieve increased efficiency.

(iii) Storm or thermal windows or doors for the exterior of dwellings, evaporative coolers, heat absorbing or heat reflective glazed windows and door materials, exterior shading devices, and movable insulation such as shutters or thermal drapes, which substantially reduce the energy needed for space heating and cooling.

(iv) Load management devices to reduce the direct or indirect use of electricity through interruption, storage or load limiting.

(v) Floor insulation, except as specified in subparagraph (H).

(M) For existing dwellings where there is no operational Residential Conservation Service (RCS) Plan certified in accordance with this section or in regions where such a plan does not provide energy audits, and for premises other than dwellings:

(i) Electrical or mechanical furnace ignition systems which replace gas pilot lights.

(ii) Devices modifying the openings of restaurant food preparation appliances or heating and cooling systems so as to achieve increased energy efficiency.

(iii) Storm or thermal windows or doors for the exterior of dwellings, evaporative coolers, heat absorbing or heat reflective glazed windows and door materials, exterior shading devices, and movable insulation such as shutters or thermal drapes which substantially reduce the energy needed for space heating and cooling, and glazing materials (other than doors and windows),

controls or automatic switching devices for effective use of natural light to replace electric interior lighting which result in a net energy savings.

(iv) Load management devices to reduce the direct or indirect use of electricity through interruption, storage or load limiting.

(v) Floor insulation, except as specified in subparagraph (H).

(N) For newly constructed dwellings:

(i) Storm or thermal windows or doors for the exterior of dwellings.

(ii) Evaporative coolers.

(iii) Heat absorbing or heat reflective glazed windows and door materials.

(iv) Exterior shading devices.

(v) Movable insulation such as shutters or thermal drapes.

(vi) Load management devices.

(vii) Floor insulation.

Energy conservation measures in the generic categories of subparagraphs (A), (B), (C), (D), (E), and (F) installed in multifamily dwelling units, and (G), (H), (I), (J), (L), (M), and (N) installed in any premises shall be ineligible as energy conservation measures and shall have no force or effect in the computation of taxes for income years which begin after December 31, 1985. State agencies shall ensure that taxpayers may qualify for a tax credit under the provisions of subparagraph (L) until the termination date set forth in this paragraph.

Energy conservation measures in the generic categories of subparagraphs (A), (B), (C), (D), (E), and (F) installed in premises other than multifamily dwelling units, and (K) installed in any premises, shall be ineligible as energy conservation measures and shall have no force or effect in the computation of taxes for income years which begin after December 31, 1986.

Any unused credit may be used beyond the date specified on the same basis and to the same extent as permitted under the law in effect immediately prior to that date.

(6) The energy conservation tax credit provided by this section shall also apply to the cost of conducting energy audits and engineering feasibility studies resulting therefrom.

(7) "Operational Residential Conservation Service Plan" means the operational California plan approved in 1983 pursuant to Section 456.024 of Title 10 of the Code of Federal Regulations and maintained under the authority of this section until December 31, 1985, or a Residential Conservation Service (RCS) Plan, developed pursuant to the provisions of Section 210 of Title II of the National Energy Conservation Policy Act (92 Stat. 3206), and which provides energy audits for measures identified in this section in accordance with the requirements of such an RCS Plan. The Energy Resources Conservation and Development Commission shall, after at least one public hearing, certify when participating utilities identified in the California Plan for the

Residential Conservation Service dated January 1981, have operational RCS Plans. In the case of a publicly owned utility, a Residential Conservation Service Plan developed pursuant to the provisions of Section 210 of Title II of the National Energy Conservation Policy Act (92 Stat. 3206), shall be certified by the governing board of the publicly owned utility to be operational. Certification that a plan is operational by the commission or the governing board of a publicly owned utility shall occur only after a finding is made that audits are available to utility customers within the time specified in the appropriate approved plan.

(g) In lieu of claiming the tax credit provided by this section, the taxpayer may elect to take depreciation pursuant to Section 24349.7. In addition, the taxpayer may take depreciation pursuant to that section for the cost of an energy conservation measure in excess of the amount of the tax credit claimed under this section.

(h) No tax credit may be claimed under this section for any expenditures which have been otherwise claimed as a tax credit for the income year in which the energy conservation measure was installed or any prior income year.

(i) No credit shall be allowed under this section if the amount would (but for this subdivision) be less than ten dollars ($10).

(j) (1) Except as provided in paragraph (2) of this subdivision, the tax credit provided by this section shall not apply to any energy conservation measure required by state laws and regulations pursuant thereto, at the time of installation.

(2) Notwithstanding the provisions of paragraph (1), a credit shall be allowed for energy conservation measures specified in subparagraph (K) of paragraph (5) of subdivision (f).

This section shall remain in effect only until January 1, 1987, and as of that date is repealed, unless a later enacted statute, which is chaptered before that date, deletes or extends that date.

SEC. 31.6. Section 183 of the Streets and Highways Code is amended to read:

183. (a) All money in the State Highway Account in the State Transportation Fund derived from federal sources or from appropriations to other state agencies, or deposited in the account by local agencies or by others, is continuously appropriated to, and shall be available for expenditure by, the department for the purposes for which the money was made available.

Unless otherwise expressly provided for by law, none of the balance of the money in the State Highway Account shall be expended until it has been specifically appropriated by the Legislature or made available pursuant to Section 13322 of the Government Code.

The Budget Act appropriations shall be made on a program basis only and shall not identify the specific capital outlay projects to be funded. The commission shall be responsible for allocating the funds to specific projects within the budget program categories, except that all funds described in Chapter 5

(commencing with Section 2200) of Division 3 shall be allocated on a program basis to the department for allocation pursuant to that chapter.

(b) Notwithstanding subdivision (a), commencing with the 1985–86 Budget, the department shall submit with its budget requests a detailed description of the acquisition, improvement, and construction of office building projects to the Legislature for review. The total amount appropriated for those projects shall be identified as a separate line item in the Budget Act. Funds appropriated for those projects shall be allocated by the commission only for projects which have been approved by the Legislature. Minor projects are to be defined consistent with Section 167. The commission may substitute for approved minor projects, if the total sum of minor projects is within the amount approved by the Legislature.

SEC. 31.7. Section 307 is added to the Unemployment Insurance Code, to read:

307. The department shall provide, upon the request of any person or entity, any or all of the department's rules, regulations, guidelines, bulletins, manuals, standards of general application, or the departmental responsibilities under any state or federal law, along with any subscription service necessary to assure prompt receipt of additional amendments to any of the above materials. The department shall charge a fee to cover (1) the costs of reproducing the materials and (2) postage associated with a subscription service; however, one free copy of the materials shall be provided to each state legislator, upon request.

Any documents properly classified as confidential shall be exempt from the requirements of this section.

SEC. 31.8. Section 312 of the Unemployment Insurance Code is repealed.

SEC. 31.95. Section 5302 of the Unemployment Insurance Code is amended to read:

5302. (a) Whenever a registrant fails or refuses to appear for appraisal, or a certified registrant fails or refuses to accept employment or to otherwise participate in a work incentive or employment preparation program, the department shall determine whether the individual had good cause for the failure or refusal.

(b) The department shall exhaust efforts toward conciliatory resolution of disputes before it issues a notice of intended deregistration. The department shall inform the individual what may constitute good cause in writing on the same notice which informed him or her that an issue exists concerning his or her failure or refusal to cooperate or participate. The notice of unresolved issues, which are issues prior to the potential issuance of a notice of intended deregistration, shall clearly specify the action or actions that resulted in the unresolved issue, the proposed steps that the registrant may take towards conciliatory

resolution, and the right to offer a counter proposal towards conciliatory resolution, including the names and addresses of the local legal services office and welfare right office, if any, who can assist him or her with conciliation. The purpose of this effort is to encourage the participant to continue in the Work Incentive Program or Employment Preparation Program. The conciliatory effort shall begin no later than 10 days following the date of failure or refusal to participate as determined in subdivision (a). The conciliation effort may continue for a period not to exceed 30 days. However, the registrant, upon written request, may terminate this period sooner when he or she believes that conciliation will not resolve the dispute. If the registrant refuses to meet the conditions of the conciliation plan, the department may terminate the plan earlier. Upon meeting the agreed upon conciliation plan, the department shall inform the registrant of his or her successful completion of the plan in writing.

SEC. 32.2. Section 1504 of the Vehicle Code is amended to read:

1504. The department is under the control of a civil executive officer known as the Director of Motor Vehicles. The director shall be appointed by, and hold office at the pleasure of, the Governor.

SEC. 32.3. Section 2107 of the Vehicle Code is amended to read:

2107. The department is under the control of a civil executive officer, known as the Commissioner of the California Highway Patrol. The commissioner shall be appointed by the Governor with the advice and consent of the Senate to serve at the pleasure of the Governor, and shall have resided within the State continuously for at least five years immediately preceding his appointment.

SEC. 32.4. Section 2110 of the Vehicle Code is amended to read:

2110. The Assistant Commissioner of the California Highway Patrol shall be appointed by the commissioner, subject to the approval of the Governor, pursuant to the provisions of Article XXIV of the State Constitution.

SEC. 32.5. Section 2112 of the Vehicle Code is amended to read:

2112. The chief administrative officer of the department shall be appointed by the commissioner subject to the approval of the Governor, pursuant to the provisions of Article XXIV of the State Constitution.

SEC. 32.55. Section 3050.5 is added to the Vehicle Code, to read:

3050.5. Pursuant to Section 3016, the board shall establish a fee for the filing of any appeal, protest, or petition pursuant to this chapter.

SEC. 32.6. Section 121 of the Water Code is repealed.

SEC. 32.7. Section 180 of the Water Code is repealed.

SEC. 32.8. Section 13260 of the Water Code is amended to read:

13260. (a) Any person discharging waste or proposing to discharge waste within any region that could affect the quality of the waters of the state, other than into a community sewer system, and any person who is a citizen, domiciliary, or political agency or entity of this state discharging waste or proposing to discharge waste outside the boundaries of the state in a manner that could affect the quality of the waters of the state within any region, shall file with the regional board of that region a report of the discharge, containing such information as may be required by the board. No report need be filed when such requirement is waived pursuant to Section 13269.

(b) Every such person discharging waste shall file with the regional board of that region a report of any material change or proposed change in the character, location, or volume of the discharge.

(c) Each report under this section shall be sworn to or submitted under penalty of perjury.

(d) Each report under this section shall be accompanied by a filing fee of not to exceed fifty thousand dollars ($50,000) according to a reasonable fee schedule established by the state board. Fees shall be calculated on the basis of total flow, volume, number of animals, or area involved and shall be reasonably related to the costs to the regional board.

(e) When a report filed by any person pursuant to this section is not adequate in the judgment of the regional board, the board may require such person to supply such additional information as it deems necessary.

SEC. 33. Section 4024 is added to the Welfare and Institutions Code, to read:

4024. The State Department of Mental Health proposed allocations for level-of-care staffing in state hospitals that serve persons with mental disabilities shall be submitted to the Department of Finance for review and approval in July and again on a quarterly basis. Each quarterly report shall include an analysis of client characteristics of admissions and discharges in addition to information on any changes in characteristics of current residents.

The State Department of Mental Health shall submit by January 1 and May 1 to the Department of Finance for its approval: (a) all assumptions underlying estimates of state hospital mentally disabled population; and (b) a comparison of the actual and estimated population levels for the year to date. If the actual population differs from the estimated population by 50 or more, the department shall include in its reports an analysis of the causes of the change and the fiscal impact. The Department of Finance shall approve or modify the assumptions underlying all population estimates within 15 working days of their submission. If the Department of Finance does not approve or modify the

assumptions by such date, the assumptions, as presented by the submitting department, shall be deemed to be accepted by the Department of Finance as of that date. The estimates of populations and the comparison of actual versus estimated population levels shall be made available to the Joint Legislative Budget Committee immediately following approval by the Department of Finance.

The Department of Finance shall also make available to the Joint Legislative Budget Committee a listing of all of the approved assumptions and the impact of each assumption, as well as all supporting data provided by the State Department of Mental Health or developed independently by the Department of Finance. However, such departmental estimates, assumptions, and other supporting data as have been prepared shall be forwarded to the Joint Legislative Budget Committee not later than January 15 or May 15 by the State Department of Mental Health in the event this information has not been released earlier.

SEC. 34. Section 4432 is added to the Welfare and Institutions Code, to read:

4432. The State Department of Developmental Services proposed allocations for level-of-care staffing in state hospitals that serve persons with developmental disabilities shall be submitted to the Department of Finance for review and approval in July and again on a quarterly basis. Each quarterly report shall include an analysis of client characteristics of admissions and discharges in addition to information on any changes in characteristics of current residents.

The State Department of Developmental Services shall submit by January 1 and May 1 to the Department of Finance for its approval: (a) all assumptions underlying estimates of state hospital developmentally disabled population; and (b) a comparison of the actual and estimated population levels for the year to date. If the actual population differs from the estimated population by 50 or more, the department shall include in its reports an analysis of the causes of the change and the fiscal impact. The Department of Finance shall approve or modify the assumptions underlying all population estimates within 15 working days of their submission. If the Department of Finance does not approve or modify the assumptions by such date, the assumptions, as presented by the submitting department, shall be deemed to be accepted by the Department of Finance as of that date. The estimates of populations and the comparison of actual versus estimated population levels shall be made available to the Joint Legislative Budget Committee immediately following approval by the Department of Finance.

The Department of Finance shall also make available to the Joint Legislative Budget Committee a listing of all of the approved assumptions and the impact of each assumption, as well as all supporting data provided by the State Department of

Developmental Services or developed independently by the Department of Finance. However, such departmental estimates, assumptions, and other supporting data as have been prepared shall be forwarded to the Joint Legislative Budget Committee not later than January 15 or May 15 by the State Department of Developmental Services in the event this information has not been released earlier.

SEC. 36.5. Section 4456.5 of the Welfare and Institutions Code is amended to read:

4456.5. (a) The security of patients committed pursuant to Section 1026 of, and Chapter 6 (commencing with Section 1367) of Title 10 of Part 2 of, the Penal Code, and former Sections 6316 and 6321 of the Welfare and Institutions Code, at Patton State Hospital shall be the responsibility of the Director of the Department of Corrections.

(b) The Department of Corrections and the State Department of Mental Health shall jointly develop a plan to transfer all patients committed to Patton State Hospital pursuant to the provisions in subdivision (a) from Patton State Hospital no later than January 1, 1986, and shall transmit this plan to the Senate Committee on Judiciary and to the Assembly Committee on Criminal Justice, and to the Senate Health and Welfare Committee and Assembly Health Committee by June 30, 1983. The plan shall address whether the transferred patients shall be moved to other state hospitals or to correctional facilities, or both, for commitment and treatment.

(c) Notwithstanding any other provision of law, the State Department of Mental Health shall house no more than 1,034 patients at Patton State Hospital that have been committed pursuant to Section 1026 of, and Chapter 6 (commencing with Section 1367) of Title 10 of Part 2 of, the Penal Code, and former Sections 6316 and 6321 of the Welfare and Institutions Code.

(d) This section shall remain in effect only until all patients committed, pursuant to the provisions enumerated in subdivision (a), have been removed from Patton State Hospital and shall have no force or effect on or after that date.

SEC. 36.6. Section 4782 of the Welfare and Institutions Code is amended to read:

4782. Parents of children under the age of 18 years who are receiving 24-hour out-of-home care services through a regional center or who are residents of a state hospital or on leave from the state hospital shall be required to pay a fee depending upon their ability to pay, but not to exceed (1) the cost of caring for a normal child at home, as determined by the Director of Developmental Services, or (2) the cost of services provided, whichever is less. The State Department of Developmental Services shall determine, assess, and collect all parental fees in the manner as provided in Section 7513.2. The method of determination of the amount of the fee shall be the same, whether the child is placed

in the state hospital or in a public or private community facility. In no event, however, shall parents be charged for diagnosis or counseling services received through the regional centers.

SEC. 37. Section 4783 of the Welfare and Institutions Code is repealed.

SEC. 37.02. Section 9306.6 is added to the Welfare and Institutions Code, to read:

9306.6. The department shall administer the 8.5 percent administrative cost limitation as defined in paragraph 1 of subsection (d) of Section 304 of the federal Older Americans Act (42 U.S.C. Sec. 3024 (d) (1)), on a statewide basis. This allocation shall be based on notices of grant award.

The formula to be used for the allocation of those funds shall be as follows:

(a) Each planning and service area shall receive a base allocation of fifty thousand dollars ($50,000).

(b) The remainder of the funds available up to the 8.5 percent statewide limitation shall be distributed to area agencies on aging on the basis of the number of persons over the age of 60 years per planning and service area.

It is the intent of the Legislature that in the event that an area agency on aging chooses to use other sources of funds for the administration of its area plan, the federal money made available to that area agency on aging for administration shall be used for the provision of direct services within its planning and service area.

SEC. 37.1. Section 9312 is added to the Welfare and Institutions Code, to read:

9312. For the 1984–85 fiscal year, the department shall, utilizing federal or state funds, or both, provide funds for programs provided for under Title III of the federal Older Americans Act (42 U.S.C. Sec. 3021, et seq.) excluding reimbursements provided by the U.S Department of Agriculture and the funds provided in the Budget Act of 1984 for cost-of-living adjustment for Title III B of the Older Americans Act to each planning and service area, as follows:

(a) (1) The amount of seven hundred thirteen thousand six hundred twenty-seven dollars ($713,627) shall be provided to planning and service area No. 1.

(2) The amount of one million five hundred fourteen thousand eight hundred eighteen dollars ($1,514,818) shall be provided to planning and service area No. 2.

(3) The amount of one million two hundred five thousand five hundred fifteen dollars ($1,205,515) shall be provided to planning and service area No. 13.

(b) For all planning and service areas except those referred to in subdivision (a), funds shall be provided using the following formula:

(1) The department shall determine the amount of federal and

state local assistance funds which would have been allocable under the terms of Items 4170-101-001 and 4170-101-890 of the Governor's Budget as amended by a letter from the Department of Finance dated April 11, 1984, for programs provided for under Title III of the federal Older Americans Act, (42 U.S.C. Sec. 3021, et seq.), and shall subtract from this amount the sum of three million four hundred thirty-three thousand nine hundred sixty dollars ($3,433,960).

(2) Each planning and service area shall receive an amount of funds equal to the amount of funds for programs under Title III of the federal Older Americans Act which was allocated to that planning and service area for the 1979–80 fiscal year, as indicated in the Intrastate Funding formula contained in the state plan submitted to the federal government for the 1983–84 fiscal year.

(3) An amount of funds which equals the difference between the total amount allocated under paragraph (2), and the amount derived under paragraph (1) shall be allocated as follows:

(A) Fifty percent of the amount derived under paragraph (3) shall be allocated to each planning and service area in proportion to each planning and service area's portion of the state's population of persons who are both recipients of aid under the State Supplementary Program provided for in Chapter 3 (commencing with Section 12000) of Part 3 of Division 9, and who are 65 years of age or older.

(B) The remaining 50 percent of the amount derived under paragraph (3) shall be allocated to each planning and service area in proportion to each planning and service area's portion of the state's population of persons who are both not recipients of aid under the State Supplementary Program, and who are 60 years of age or older.

(4) If any planning and service area receives an amount of funds under the formula provided for in paragraphs (2) and (3) which is less than the planning and service area would have received under the planning estimate issued by the department and dated January 17, 1984, as adjusted to reflect the Department of Finance letter referred to in paragraph (1), the department shall provide that planning and service area with the amount of funds equal to the difference between the amount provided pursuant to paragraphs (2) and (3) and the amount which would have been received under the planning estimate as adjusted by the Department of Finance letter.

(5) The department shall also provide additional funding to planning and service areas in order to ensure that each planning and service area shall receive an amount of funds under this subdivision which equals at least 5 percent in excess of the planning and service areas allocation under paragraphs (2) and (3).

(c) The amounts specified in subdivision (a) shall be adjusted to reflect the administrative base defined in Section 9306.6.

(d) Within each planning and service area priority for distributing new funds shall be given to low income and minority neighborhoods and to serve the frail elderly.

This section shall become inoperative on July 1, 1985, and, as of January 1, 1986, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1986, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 37.2. Section 9313 is added to the Welfare and Institutions Code, to read:

9313. For the 1985–86 fiscal year, the department shall, utilizing federal or state funds, or both, provide funds for programs provided for under Title III of the federal Older Americans Act (42 U.S.C. Sec. 3021, et seq.) to each planning and service area as follows:

(a) The same amount shall be provided to planning and service areas No. 1, 2, and 13 as they received in the 1984–85 fiscal year.

(b) For all planning and service areas except for those referred to in subdivision (a), funds shall be provided using the following formula:

(1) The department shall determine the total amount of funds allocated pursuant to Section 9312 for the 1984–85 fiscal year and shall subtract from this amount the sum of the funds provided to planning and service areas No. 1, 2, and 13 as specified in subdivision (a).

(2) Each planning and service area shall receive an amount of funds equal to the amount of funds for programs under Title III of the federal Older Americans Act which was allocated to that planning and service area for the 1979–80 fiscal year, as indicated in the Intrastate Funding formula contained in the state plan submitted to the federal government for the 1983–84 fiscal year.

(3) An amount of funds which equals the difference between the total amount allocated under paragraph (2), and the amount derived under paragraph (1) shall be allocated as follows:

(A) Fifty percent of the amount derived under paragraph (3) shall be allocated to each planning and service area in proportion to each planning and service area's portion of the state's population of persons who are both recipients of aid under the State Supplementary Program, provided for in Chapter 3 (commencing with Section 12000) of Part 3 of Division 9, and who are 65 years of age or older.

(B) The remaining 50 percent of the amount derived under paragraph (3) shall be allocated to each planning and service area in proportion to each planning and service area's portion of the state's population of persons who are both not recipients under the State Supplementary Program and who are 60 years of age or older.

(c) (1) The department shall determine the percentage difference between the amount received by planning and service area No. 3, under its total allocation pursuant to Section 9312 for

the 1984–85 fiscal year, and the amount provided in the 1984–85 Budget Act as a cost-of-living increase for programs under Title III B of the Older Americans Act and which has not been included in Section 9312, and the amount received by planning service area No. 3, under subdivision (b).

(2) In addition to the allocations made pursuant to subdivision (b), each planning and service area, except for planning and service areas No. 1, 2, 3, and 13, shall receive a percentage increase in excess of the amount allocated to that planning and service area pursuant to subdivision (b) in the amount of the percentage figure determined under paragraph (1).

(c) The amounts specified in subdivision (a) shall be adjusted to reflect the administrative base defined in Section 9306.6.

(d) Within each planning and service area priority for distributing new funds shall be given to low income and minority neighborhoods and to serve the frail elderly.

This section shall become inoperative on July 1, 1986, and, as of January 1, 1987, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1987, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 37.6. Section 9354 is added to the Welfare and Institutions Code, to read:

9354. (a) All planning and service areas shall use no more than 10 percent of their annual total baseline allocation received pursuant to Title III B (42 U.S.C. Sec. 303(d)) for program development, advocacy, and coordination.

(b) Area agencies on aging shall not use state match funds for the purpose of program development, advocacy, and coordination.

(c) Program development activities are those activities which either establish a new service or improve, expand, or integrate existing services. These activities shall achieve a specific goal or objective and occur within a specific time frame.

(d) Of the allowable 10 percent available for program development, advocacy, and coordination activities, at least 20 percent shall be budgeted for advocacy activities by area agency on aging advisory councils.

(e) All other activities not specifically budgeted as advocacy, but undertaken on behalf of advisory council operations, shall be charged to area plan administration and shall be subject to any limitations on the amount of funds which are allocated for administration of the area plan.

SEC. 38. Section 10614 is added to the Welfare and Institutions Code, to read:

10614. (a) The department shall annually submit by September 10 of each year and March 1 of the following year, to the Department of Finance for its approval, all assumptions underlying all estimates related to all of the following:

(1) Average monthly caseload for each of the categorical aid

programs.

(2) Average grant for each of the categorical aid programs.

(3) Total estimated expenditures for each of the categorical aid programs.

(4) Savings or costs associated with all regulatory or statutory changes.

(b) The Department of Finance shall approve or modify the assumptions underlying all estimates within 15 working days of their submission. If the Department of Finance does not approve or modify the assumptions by such date, the assumptions as presented by the submitting department shall be deemed to be accepted by the Department of Finance as of that date.

(c) Assumptions shall be released to the legislative fiscal committees immediately following approval or modification by the Department of Finance. The department shall identify those premises to which either of the following apply:

(1) Have been discontinued since the previous estimate was submitted.

(2) Have been placed in the basic cost line of the estimate package.

(d) The department shall submit an estimate of expenditures for each of the categorical aid programs to the Department of Finance by November 1 of each year and April 20 of the following year. Each estimate shall contain a concise statement identifying applicable estimate components, such as caseload, unit cost, implementation date, whether it is a new or continuing premise, and other assumptions necessary to support the estimate. The submittal shall include a projection of the fiscal impact of each of the approved assumptions related to a regulatory, statutory, or policy change; a detailed explanation of any changes to the base estimate projections from the previous estimate; and a projection of the fiscal impact of such change to the base estimate.

(e) (1) The department shall submit to the Department of Finance, as part of the estimates compiled November 1 each year, a brief narrative description of the methodological steps employed in arriving at all of the following:

(A) The basic grant costs for the Aid to Families with Dependent Children program and State Supplementary Program.

(B) The basic administrative costs for the Aid to Families with Dependent Children program and Food Stamp program.

(C) All cost estimates for the In-Home Supportive Services program.

(D) Any cost estimate for new regulations or legislation which exceeds 2 percent of the total cost of the affected program.

(2) These methodological discussions shall be forwarded to the Joint Legislative Budget Committee and the fiscal committees along with the November 1 annual estimates of expenditures. In addition, the department shall, upon request, develop and make available brief written narratives of the steps taken to arrive at

specified estimates. Copies of the written narratives, working papers, and data employed in the construction of any estimate used to prepare the Governor's Budget shall be made available by the State Department of Social Services upon request to the Joint Legislative Budget Committee or the Department of Finance.

(f) In the event that the methodological steps employed in arriving at those estimates in May differ from those used in November of the preceding year, the department shall submit a brief narrative description of the revised methodology to the Department of Finance, the Joint Legislative Budget Committee. and the fiscal committees, along with other materials included in the annual May revision of expenditure estimates.

(g) The estimates of average monthly caseloads, average monthly grants, total estimated expenditures (including administrative expenditures and savings or costs associated with all regulatory or statutory changes), as well as all supporting data provided by the department or developed independently by the Department of Finance, shall be made available to the Joint Legislative Budget Committee immediately following approval by the Department of Finance. These departmental estimates, assumptions, and other supporting data as have been prepared shall, however, be forwarded annually to the Joint Legislative Budget Committee not later than January 10 and May 15 by the department if this information has not been released earlier by the Department of Finance.

SEC. 39.5. The heading of Chapter 4.1 (commencing with Section 10815) of Part 2 of Division 9 of the Welfare and Institutions Code is amended to read:

CHAPTER 4.1. STATEWIDE AUTOMATED WELFARE SYSTEM

SEC. 40.5. Section 10815 of the Welfare and Institutions Code is amended to read:

10815. The department shall ensure the efficient, effective, and equitable administration of public assistance programs by implementing statewide, in accordance with the provisions of this chapter a statewide automated welfare system based upon state-mandated standards for the following public assistance programs: Aid to Families with Dependent Children-unemployed parents, Aid to Families with Dependent Children-family group, Aid to Families with Dependent Children-foster care, food stamps, Medi-Cal eligibility, aid for adoption of children, special adult programs, and, to the extent feasible, social services and child support enforcement programs.

SEC. 40.7. Section 10818 of the Welfare and Institutions Code is amended to read:

10818. The department shall submit to the Joint Legislative Budget Committee by August 1, 1984, a detailed work plan for the implementation of the statewide automated welfare system. The work plan shall include at least the following:

(a) A detailed description of the functions to be performed by the system.

(b) The sequence of the functions to be assumed by the system, and the dates on which the functions would be assumed.

(c) The long-range design goals for California's welfare computer systems.

(d) The cost of the equipment and the administrative costs of implementing the system.

(e) The impact of such a system on the administration of such public assistance programs.

(f) Mechanisms by which the savings resulting from computer systems development can be recouped through reduced welfare administrative costs.

(g) A detailed description of how the data will be collected, stored, and disseminated to protect the privacy of individuals to ensure the confidentiality of such data.

(h) Recommendations for necessary legislative changes to implement the system.

The department shall provide to the counties no later than July 15, 1984, copies of the draft of the detailed work plan. The counties may submit no later than August 15, 1984, to the Joint Legislative Budget Committee their comments and recommendations on the detailed work plan.

SEC. 40.9. Section 10819 of the Welfare and Institutions Code is amended to read:

10819. The department may test the system in several counties prior to actual statewide implementation. Criteria in selecting county test sites may include high dollar error rates for overpayments and payments to ineligibles, high administrative unit costs, size of county, and scope of data-processing activities.

The department may delay implementation of the system in counties where not cost effective. If the implementation is delayed in such counties, the counties shall make available their data on a timely basis so that a statewide file on public assistance recipients can be maintained.

SEC. 41.2. Section 10820 of the Welfare and Institutions Code is amended to read:

10820. To ensure statewide uniformity in program administration, the department shall do the following:

(a) Develop and publish an exclusive manual of standards procedures for use by county welfare departments in their daily administration of public assistance programs.

(b) Provide a comprehensive training package for the use of the uniform standards manual.

(c) Develop standard forms to use with the statewide automated welfare system.

SEC. 41.5. Section 10822 of the Welfare and Institutions Code is amended to read:

10822. The department shall provide an annual report to the

Legislature on March 1, 1985, and March 1 of each year thereafter, on the progress in implementing the system.

Such a report shall contain at least the following information:

(a) The functions assumed by the system.

(b) The effectiveness of the system as measured by dollar error rates.

(c) The costs and savings of the system.

(d) The fiscal impact of the system on the administration of such public assistance programs.

(e) The impact of the system on fraud detection, and reduction in duplicate payments.

(f) The responsiveness of the system in meeting recipient's needs.

(g) Recommendations for further legislative action.

(h) Any revisions in the long-range plan that will affect the objectives to be accomplished in the following year.

SEC. 41.7. Section 10823 of the Welfare and Institutions Code is amended to read:

10823. Nothing in this chapter shall be construed to reduce or otherwise impair the authority of the State Department of Health Services under Sections 10740 and 14100.1 as the single state agency responsible for administration of the medical assistance program. However, the State Department of Social Services shall develop and implement a statewide automated welfare system for the public assistance programs as provided in Section 10815. The department, in developing this system, shall recognize and utilize to the extent feasible, the centralized Medi-Cal eligibility system now maintained by the State Department of Health Services, and shall ensure that the fully implemented system shall meet those Medi-Cal program requirements deemed necessary by the State Department of Health Services. Both departments shall coordinate their efforts to ensure the mutual benefits of the statewide automated welfare system.

SEC. 44.5. Section 11025 of the Welfare and Institutions Code is amended to read:

11025. The State Department of Social Services shall utilize the records of the Franchise Tax Board to match interest, dividends, and other income against reported income of applicants for and recipients of aid or public social services under this division. When the State Department of Social Services has determined that the income reported by an applicant or recipient does not agree with the information received from the Franchise Tax Board, the State Department of Social Services shall refer the information to the appropriate agency. Any and all documents and records which result from the matching of records with the Franchise Tax Board shall be subject to the confidentiality requirements of Section 10850. Information not referred to the appropriate agency shall be destroyed by the State Department of Social Services.

This section shall not be construed to supersede the

requirements and protections in the California Right to Financial Privacy Act under Chapter 20 (commencing with Section 7460) of Division 7 of Title 1 of the Government Code in obtaining information in possession of any financial institution.

SEC. 44.7. Section 11027 of the Welfare and Institutions Code is repealed.

SEC. 45.5. Section 11056 of the Welfare and Institutions Code is amended to read:

11056. If the applicant is determined to be eligible, aid shall be granted from the date of application if authorizing action by the eligibility worker is taken in that month; or the beginning date of aid is the first of the month following the date of application only if the authorizing action is taken by the eligibility worker at a later date.

The county at the time of receiving an application for public assistance shall determine and verify whether the applicant needs immediate assistance. If it is determined that the applicant is eligible for public assistance, and a signed affirmation is on file to this effect, aid shall be granted immediately. If subsequent investigation establishes ineligibility, the cost of such assistance shall be shared by the state and county in accordance with the applicable sharing ratio after federal contributions are deducted.

The director shall, within 30 days after the enactment of SB 1379 of the 1983–84 Regular Session, adopt regulations implementing this section as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For the purposes of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the adoption of the regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health, and safety, or general welfare. Notwithstanding the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, emergency regulations adopted by the director in order to implement this section shall not be subject to the review and approval of the Office of Administrative Law. These regulations shall become effective immediately upon filing with the Secretary of State.

SEC. 46.5. Section 11311 of the Welfare and Institutions Code is amended to read:

11311. The Employment Development Department, in consultation with the State Department of Social Services, shall contract with San Diego County, at the county's option, to provide experimental work experience assignments for unemployed parents receiving aid under this chapter who have completed job search assistance workshops and are still unemployed and for whom such work experience assignments are appropriate based upon an assessment by the county under contract with the Employment Development Department. Primary participants

will be the designated unemployed parent from two-parent AFDC families.

A work experience assignment shall provide all of the following:

(a) Appropriate standards for health, safety, and other conditions applicable to the performance of work.

(b) Assignments which do not result in displacement of persons currently employed (including reduction in overtime pay), the filling of established unfilled position vacancies, or infringement upon promotional opportunities, which would otherwise be available to currently employed regular employees by any actions taken on behalf of a participant in other than an entry-level position, prior to compliance with applicable personnel procedures and collective bargaining agreements.

(c) Reasonable conditions of work, taking into account the geographic region, the residence of the participants, and the proficiency of the participants.

(d) Participants shall not be required to travel an unreasonable distance from their homes or remain away from their homes overnight.

(e) The maximum number of hours in any month that a participant may be required to work is that number which equals the amount of aid payable with respect to the family of which the individual is a member divided by the greater of the federal or the applicable minimum wage. In no event shall the hours of required work exceed 32 hours in four days of any given workweek, the fifth day of the workweek remaining for job search.

(f) Transportation and other costs reasonably necessary and directly related to participation in the assignment.

(g) An assignment shall not be developed in response to, or be associated with, the existence of a strike, lockout, or other bona fide labor dispute, or be in violation of any existing collective bargaining agreement between employees and employers.

(h) An assignment shall not be developed through replacement of a person in a position that has been created by termination or layoff of a person for purposes of this section.

(i) A person shall not be required to accept a work experience assignment if the assignment would result in the removal of the individual from an accredited educational institution, if the individual is enrolled in nine or more semester units toward the attainment of a degree or a certification.

The purpose of the work experience experiment shall be to determine the usefulness of such an approach in achieving the eventual employment of the unemployed parent.

The work experience assignment shall be in public and private nonprofit agencies which meet the requirements of subdivision (e) of Section 5007.5 of the Unemployment Insurance Code.

The County of San Diego shall be responsible for the nonfederal costs of all work-related expenses.

Notwithstanding Section 11308, if a principal wage earner is

sanctioned due to failure to meet the requirements of this section, failure to meet these requirements shall not affect the eligibility for aid of any other member of the family unit. This paragraph shall not be operative if it is found to jeopardize federal financial participation for the remaining portions of the program authorized by this section provided that the federal government issues a final order and the state has exhausted all available remedies.

From whatever state or federal funds are appropriated to support community work experience programs, funds shall be allocated sufficient to meet the child care needs of eligible participants, including those participants with school age children who are in need of care before or after school hours.

This section shall be operative after December 31, 1984, only if the State Department of Social Services uses its best efforts to secure the necessary federal waivers to implement the demonstration program authorized by Article 3.8 (commencing with Section 11347) of this chapter and the director so certifies to the Joint Legislative Budget Committee and the fiscal committee of each house of the Legislature by that date.

This section shall remain in effect only until July 1, 1985, and on that date is repealed.

SEC. 47.5. Article 3.8 (commencing with Section 11347) is added to Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code, to read:

Article 3.8. Welfare Employment Services and Training Program

11347. This program shall be referred to as the Welfare Employment Services and Training Program.

11347.1. The Legislature finds and declares:

(a) Although many recipients of aid under this chapter would prefer to be economically independent of public assistance, many barriers to attaining that goal exist.

(b) The existing system of employment and training programs for recipients of aid under this chapter is inadequate to help recipients overcome these barriers to employment, which include lack of adequate child care, transportation, education, training, and work experience.

(c) A system of employment services tailored to the individual needs and work histories of recipients may have more success in helping recipients to become self-sufficient.

(d) Work-for-benefit, or workfare, programs may not provide for long-term economic independence of recipients of aid under this chapter, and may therefore not be a viable alternative to the existing system.

It is therefore the intent of the Legislature to test an alternative to both workfare and the existing system, in order to determine

the relative cost-effectiveness of each in attaining the goal of economic independence for recipients of aid under this chapter.

11347.2. As used in this article, "department" refers to the State Department of Social Services and "program" means the Welfare Employment Services and Training Program.

The department, in cooperation with the Employment Development Department, shall conduct a demonstration program in Sacramento to test the program described in this article. The purpose of this test is to determine the effectiveness of a comprehensive system of employment and training programs in assisting recipients of aid under this chapter find employment in unsubsidized jobs and eventually attain economic self-sufficiency.

To the extent permitted under federal law, the department shall operate the program, as a Work Incentive Demonstration Program in accordance with the provisions of Section 445 of the federal Social Security Act as amended (42 U.S.C. Sec. 645). The department shall seek the appropriate waivers necessary to implement the provisions of this article.

11347.3. (a) Any applicant for or recipient of aid under this chapter, including unemployed applicants and recipients of aid pursuant to subdivision (b) of Section 11201, shall be entitled to participate voluntarily in the program. If the number of available positions in the program is limited, the county welfare department may give priority in selecting participants to those deemed most employable or able to benefit from this program.

(b) Registration for the program shall be conducted at the county welfare office on the day of application for aid, or as soon thereafter as possible.

11347.4. (a) Every applicant and recipient who volunteers to participate in employment and training programs shall follow the procedures outlined in this article.

(b) Upon registration into the program at the county welfare department, all participants shall be apprised of their obligations and responsibilities with respect to employment and shall be informed of the type of employment, training, and related supportive services available to them. These applicants and recipients shall also be informed of their right to appeals, fair hearings, and the conciliation process. This orientation shall occur on the day of registration, and shall be provided in writing as well as verbally.

(c) Following the orientation session, the county shall schedule the participant for an appraisal interview on the day of orientation or as soon thereafter as possible, at a time mutually convenient to the participant and the worker. The participant shall receive a written notice of the time, date, and location of the appraisal interview, if it is not held on the day of registration.

The purpose of the appraisal interview is to determine the individual's educational and employment background, potential

for employment, and need for supportive services necessary for participation in the program. An explanation of the Employment Plan required in Section 11347.5 and the program components listed in Section 11347.6 shall be provided at this time.

11347.5. (a) An employment plan shall be developed for each participant. This plan shall be the basis for the individual's participation in the program and shall be jointly developed by the department and the participant. The plan shall contain the progressive steps necessary for each participant to achieve the final goal of seeking and obtaining self-sustaining unsubsidized employment. The plan shall clearly identify the specific skill or skills which the participant is expected to acquire in each step of the plan and the length of time necessary for each step. Career goals identified for a participant shall be consistent with the results of the assessment and with options available to program participants.

(b) Assessment and career counseling shall be provided prior to the development of the employment plan. The purpose of this assessment and counseling is to help the participant focus on career goals and to identify the educational, training or job placement and training options which will help in the attainment of those goals. The results of the assessment and career counseling shall be used in developing the employment plan.

(c) The employment plan shall also identify the supportive services necessary for the participant's effective participation in the program, as identified in the appraisal interview. Participation in the program shall be deferred until the time that all supportive services so identified have been provided. In no event shall the participant be required to use his or her aid grant, income, or resources to pay for the costs of participation, including child care and transportation costs. The costs of these services shall be advanced to a participant, unless expressly waived in writing by him or her. In the first month of participation, a standard allowance of one hundred sixty dollars ($160) for child care and three dollars ($3) per day for transportation shall be advanced to participants. Participants shall be required to keep accurate records of actual expenses for these services. After the first month of participation, advances shall be based on actual expenses, not to exceed two hundred dollars ($200) per month per child. At the county welfare department's discretion, higher amounts may be advanced for care of infants, for care of children with special needs, and for other special circumstances warranting a higher amount.

(d) The employment plan, and any modifications as described in Section 11347.6, shall be a written document signed by both the department and the participant to indicate mutual agreement to the plan. The participant shall receive one copy of the plan and the original shall be retained by the department. A copy of the plan shall also be provided to the agency administering the

component to which a participant is assigned, pursuant to Section 11347.7. The plan shall become effective three working days after both parties sign the plan.

11347.6. The employment plan may be changed or modified within three working days after the participant and department sign the plan, and at any subsequent time upon the request of the participant, subject to the conditions contained in this section. Changes or modifications may be made to the plan:

(a) At any time if both the department and the participant agree to the change or modification.

(b) Within three working days after the original agreement to the plan.

(c) For up to two changes requested by the participant. After the second change made pursuant to this subdivision, the participant shall undergo the assessment and career counseling provided for in subdivision (b) of Section 11347.5 if this service has not already been provided. The employment plan may then be changed to reflect the results of the assessment and counseling if both the department and the participant are in agreement. If the department and the participant do not agree, the participant shall abide by the most recent version of the employment plan. An appeal may be filed by the participant.

(d) At any time for good cause. Examples of good cause include a change in a participant's family circumstances such as death of a spouse or parent who was providing care for a child, physical incapacity of the individual for a temporary period, change of residence such that commuting to an assignment requires more than two hours round trip time, and other changes that require a change in the employment plan.

(e) At the time that the plan is reviewed by the department and participant. The review shall be conducted on a quarterly basis, to the extent feasible, and no less frequently than every six months, in a joint meeting of the two parties to determine whether the plan is still appropriate to leading the participant toward economic independence.

11347.7. Components to which a participant may be assigned in the employment plan may include, but not be limited to all of the following:

(a) Programs operated pursuant to the Family Economic Security Act, as authorized by Division 8 (commencing with Section 15000) of the Unemployment Insurance Code.

(b) The Child Care Work Experience Program, as authorized by Section 11310.5.

(c) The Supported Work Program, as authorized by Article 3.3 (commencing with Section 11321).

(d) The Employment Search Program, as authorized by Section 11325.

(e) The California Welfare Employment Skills Training Act, as authorized by Article 3.7 (commencing with Section 11340).

(f) The Youth Employment and Development Act, as authorized by Chapter 2.5 (commencing with Section 9800) of Part 1 of Division 3 of the Unemployment Insurance Code.

(g) The California Work-Site Education and Training Act, as authorized by Chapter 2.7 (commencing with Section 9900) of Part 1 of Division 3 of the Unemployment Insurance Code.

(h) The Job Agent Program, as authorized by Article 3 (commencing with Section 9700) of Chapter 2 of Part 1 of Division 3 of the Unemployment Insurance Code.

(i) The Career Opportunities Development Program, as authorized by Division 4 (commencing with Section 12000) of the Unemployment Insurance Code.

(j) The Service Center Program, as authorized by Executive Order 66-11.

(k) The Employment Training Program, as authorized by Chapter 3.5 (commencing with Section 10200) of Part 1 of Division 3 of the Unemployment Insurance Code.

(*l*) Vocational education, as authorized by Chapter 9 (commencing with Section 52300) of Part 28 of Division 4 of Title 2 of the Education Code.

(m) Adult education, as authorized by Chapter 10 (commencing with Section 52500) of Part 28 of Division 4 of Title 2 of the Education Code.

(n) The Cooperative Agencies Resources for Education Program, as authorized by Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code.

(o) Community college and other educational programs, to the extent that they provide specific employment skills training that can be completed within a sufficient period of time to achieve economic independence. Referrals shall not be made to programs that are not consistent with the employability plan developed pursuant to this section. As used in this subdivision, "sufficient period of time" shall not exceed the limitations specified in Section 11347.8.

(p) Any other employment, training, or educational program available on a voluntary basis to persons eligible for aid under this chapter.

11347.8. When an applicant or recipient is enrolled in an educational institution, including a college or university, a vocational training course, or other job program which the recipient and the department agree in the employment plan will lead to economic independence, the recipient's course of study shall be deemed to be an adequate employability plan. In this case, the recipient shall be reassessed annually and shall be given the appropriate job search services upon completion of his or her course of study. In no case shall the course of study extend beyond a period of 18 months from the time an applicant or recipient registers to participate in the Welfare Employment Services and

Training Program.

11347.9. (a) Participation in the program shall be subject to, among other things, the availability of supportive services necessary for participation and the availability of openings in components contained in the employment plan. If the agreed to component activity is unavailable due to a waiting list, the participant may either be placed on the waiting list and wait until a slot is available or may request a reappraisal interview and a modification of the employment plan.

(b) Participation in a chosen component activity is required of all participants unless good cause, as defined in Section 11348 exists.

11348. For purposes of this article, good cause for failure to participate or cooperate, for terminating employment or training for employment, for reducing earnings from employment or reducing training for employment, or for failure to accept or refusal to accept an offer of employment or training for employment, exists in, but is not limited to, all of the following situations:

(a) An assignment, job referral or job does not meet appropriate work and training criteria in that:

(1) The employment, offer of employment, activity or other training for employment discriminates in terms of age, sex, race, religion, ethnic origin, or physical or mental handicap.

(2) The employment or offer of employment exceeds the daily or weekly hours of work customary to the occupation.

(3) The employment, offer of employment, activity or other training for employment requires travel to and from the place of employment, activity or other training and one's home that exceeds a total of two hours in round trip time, exclusive of the time necessary to transport family members to a school or place providing care; or when walking is the only available means of transportation, and the round trip is more than two miles, exclusive of the mileage necessary to accompany family members to a school or a place providing care.

(4) The employment, offer of employment, activity or other training for employment involves conditions and specific responsibilities that impair the individual's physical or mental health or are not related to the individual's capability to perform the task on a regular basis.

(5) The employment, offer of employment, activity or other training for employment involves conditions that are in violation of applicable health and safety standards.

(6) The employment, offer of employment or work activity does not provide for worker's compensation insurance.

(7) The employment, offer of employment or work activity is a result of, or results in any of the following:

(A) Displacement of persons currently employed, including reduction in overtime pay, or the filling of established unfilled

position vacancies.

(B) A participant is assigned to perform work in any position in which any other person is on layoff.

(C) A participant is assigned to perform work resulting from the termination of employment of any regular employee, or resulting from a reduction of workforce by the employer.

(D) Promotional opportunities which would otherwise be available to currently employed regular employees are infringed upon by any actions taken on behalf of a participant, or a regular job is filled by a participant in other than an entry-level position prior to compliance with applicable personnel procedures and collective bargaining agreements.

(E) A participant is assigned to perform any work customarily performed by any position within a recognized collective bargaining unit.

(F) The assignment is developed in response to, or is associated with, the existence of a strike, lockout, or other bona fide labor dispute, or violates any existing collective bargaining agreement between employees and employers.

(8) The employment, offer of employment, activity or other training is not within the scope of the employment plan.

(9) Accepting the employment, offer of employment or work activity would cause the individual to violate the terms of his or her union membership.

(10) Accepting the employment, offer of employment or work activity would cause an interruption in a program in process under the Welfare Employment Services and Training Program, or would prevent the individual from returning to his or her regular job within a reasonable time, unless the job offer provides either of the following:

(A) employment and sufficient income to lead to self-support and the job offer is within the scope of the employment plan.

(B) Temporary employment while the individual is waiting for reemployment in his or her regular job.

(11) The employment or offer of employment is at a wage level that results in a net loss of income, in accordance with subdivision (l).

(b) The individual is temporarily physically incapacitated or suffers temporary physical illness.

(c) The individual is required to appear in a court proceeding or is incarcerated.

(d) The individual is suffering a family crisis or changed individual family circumstance as evidenced, for example, by the death of a spouse, parent or child or an illness of a spouse, parent or child which requires the individual's immediate attention.

(e) Inclement weather or other act of nature precludes individual and other persons similarly situated from traveling to an activity.

(f) There is a breakdown in transportation arrangements with

no ready access to alternate transportation.

(g) The individual needs any other necessary social service not specifically mentioned.

(h) An individual refuses to accept major medical services even if such refusal precludes participation in the program.

(i) Suitable state licensed child care is totally unavailable, or unavailable during the individual's hours of training or employment including commuting time, or arrangements for child care have broken down or have been interrupted. This exemption shall include the unavailability of suitable special needs child care for identified special needs children, such as handicapped or retarded children or the unavailability of suitable child care for children with other specific needs.

(j) An individual is engaged in employment or training that is consistent with the employability objectives of the program, and prior notification and approval from the worker has been received.

(k) Any reason other than those specified above, including but not limited to appearance at job interviews, when the reason is appropriate and reasonable under the circumstances.

(*l*) Net loss of income would occur pursuant to the conditions provided for in this paragraph, if an offer of employment is accepted. Net loss of income shall be deemed to occur whenever the gross monthly earnings from a job, less any income disregards applicable to persons eligible for aid under this chapter, equal an amount less than 175 percent of the appropriate minimum basic standard of adequate care, as specified in Section 11452, adjusted for cost-of-living adjustments pursuant to Section 11453.

For purposes of computing the income disregards, the actual costs of child care, transportation, and other mandatory work-related expenses shall be used.

11348.1. (a) Whenever a participant fails or refuses to accept employment or to otherwise participate in the program, the department shall determine whether the individual had good cause, as defined in Section 11348, for the failure or refusal.

(b) The department shall exhaust efforts toward conciliatory resolution of disputes before sanctions are applied. The purpose of this effort is to encourage participation in the program. If the participant agrees to again participate or cooperate, all further efforts toward conciliation in this subdivision shall cease.

(c) If the department determines that good cause does not exist, and the participant has not agreed to participate or cooperate as provided in subdivision (b), a written notice shall be sent to the participant within five working days of that determination. This notice shall contain all of the following information:

(1) Notification that conciliation efforts have started.

(2) A listing of participant actions that initiated the conciliation efforts.

(3) The day and time of an appointment with departmental staff.

(4) Advisement of the availability of legal services if the participant desires them.

(5) At the time of the appointment, the participant shall be advised of remedies available to resolve the dispute.

(d) The conciliatory effort shall begin no later than 10 days following the date of failure or refusal to participate. The conciliation effort may continue for a period not to exceed 30 days. The participant, however, upon written request, may terminate this period sooner when he or she believes that conciliation will not resolve the dispute. The department shall advise the participant of the right to terminate the conciliation effort and, when necessary, assist the participant in preparing a written request to do so.

(e) If conciliation efforts are terminated or if the participant is dissatisfied with the results of the conciliation effort, he or she may request a state hearing on the issue as authorized by Chapter 7 (commencing with Section 10950) of Part 2.

11348.2. (a) At the conclusion of conciliation efforts, the department shall apply the following sanctions to an individual who fails, or refuses to accept, employment, or to otherwise participate in the program, without good cause, as defined in Section 11349:

(1) For the first occurrence, the individual shall not be allowed to participate in the program for three payment months.

(2) For the second or subsequent occurrence, the individual shall not be allowed to participate for six payment months.

(b) During the sanction period specified in subdivision (a), the following sanctions shall also apply:

(1) If the individual is a caretaker relative or principal wage earner receiving aid under this chapter, his or her needs shall not be taken into account in determining the family's need for assistance, and assistance in the form of protective or vendor payments shall be provided to the remaining members of the assistance unit. Under these circumstances, the caretaker relative may not be the protective payee.

(2) If the individual is the only dependent child in the family, assistance for the family shall be denied.

(3) If the individual is one of several dependent children in the family, assistance for the individual shall be denied and his or her needs shall not be taken into account in determining the family's need for assistance.

(4) If an individual would have been exempt from registration for the Work Incentive Program pursuant to subdivision (b) of Section 11310, and is a recipient of aid under this chapter and has failed or refused to participate in the Welfare Employment Services and Training Program without good cause, the sanctions specified in subdivision (a) shall apply, but the sanctions specified

in subdivision (b) shall not apply.

(d) For the purposes of this section, the term "principal wage earner" shall be defined as the parent who earns the greatest amount of income during the two-year period immediately preceding application for benefits.

(e) The sanctions provided by this section shall become effective on the first day of the first payment month that the sanctioned individual's needs are removed from aid under this chapter.

(f) If the participant has requested a state hearing pursuant to subdivision (e) of Section 11348.1, sanctions shall be applied, if warranted, only upon the conclusion of the hearing.

To assure that available funding sources are adequately utilized to carry out the provisions of this article, the department and the Employment Development Department shall implement the procedures set forth in those articles in a manner which will ensure the most efficient use of federal funding available under the Work Incentive Program established pursuant to Part C of Title IV of the federal Social Security Act (42 U.S.C. Sec. 630, et seq.), the Employment Search Assistance program, including federal funding available for supportive services, as authorized by provisions of PL 97-248, the Job Training Partnership Act established by PL 97-300, and other federal and state funding available through the consolidated work program fund established pursuant to Section 15082 of the Unemployment Insurance Code.

In addition to those sources, the department shall, for the purposes of securing or providing supportive services, including child care, transportation, job search assistance, and subsidized employment and training necessary to enable employable persons to enter the job market, enter into agreements to utilize the resources of all appropriate state and federal employment and welfare programs.

11348.4. The demonstration program required by this article shall be conducted for a period of three years. The department shall notify the Legislature, 90 days prior to implementing the program, of the plans for implementing the documentation projects in the counties selected.

Prior to the implementation of the program, and no less frequently than annually thereafter, the department shall report to the Legislature on the plan for implementing the provisions of this article. The annual report shall be submitted to the Joint Legislative Budget Committee and to the appropriate policy and fiscal committees of both houses. The report shall include, but not be limited to, all of the following data:

(a) The number of applicants and recipients participating in each component of the program.

(b) The number of participants entering employment from each component.

(c) The average wage of participants entering employment,

both subsidized and unsubsidized, by component.

(d) The types of jobs, both subsidized and unsubsidized, obtained by participants, by component.

(e) The duration of employment in jobs, both subsidized and unsubsidized, by component.

(f) The average cost per participant, by component.

(g) The average cost per employed participant, by component.

(h) The number of and reason for terminations, by component.

SEC. 50.1. Section 11462.2 is added to the Welfare and Institutions Code, to read:

11462.2. Notwithstanding Section 11462, when the director determines that a rate established pursuant to that section for a multistate group home facility which operates in more than two states and which provides high impact adventure programs and which first offered these programs in the State of Arizona, is less than the established national rate for the multistate group home facility, and when the director determines that the multistate group home facility is otherwise licensed but would not be available due to the operation of Section 11462, the director may at his or her discretion establish a rate comparable to the rate paid in other states.

SEC. 50.3. Section 13002 of the Welfare and Institutions Code is amended to read:

13002. From the funds described in Section 13001 each county shall receive three allocations. One allocation shall fund the In-Home Support Services program pursuant to Article 7 (commencing with Section 12300) of Chapter 3. The second allocation shall be for support of Child Welfare Services as defined in Chapter 5 (commencing with Section 16500 of Part 4). This allocation shall be known as the Child Welfare Services Grant. The third allocation shall be for support of protective services and foster care services for adults, In-Home Supportive Services Administration, information and referral services, transportation to and from health care facilities, and other services directed at the five national goals specified in Section 13003. This allocation shall be known as the County Services Block Grant. No reduction shall be made in the combined total of the funds allocated through the Child Welfare Services Grant and the County Services Block Grant so as to allocate less funds than were allocated in the prior year unless the board of supervisors has made such a reduction at a regularly scheduled meeting. The notice of such action must be provided at least seven days prior to the meeting at which such action is to be taken. Such notice shall be provided in the same manner as the county provides notice for its regularly scheduled meetings. Funds from the Child Welfare Services Grant and the County Services Block Grant allocations shall be available only when matched by county funds pursuant to the provisions of Part 1.5 (commencing with Section 10100).

SEC. 50.5. Section 13004 of the Welfare and Institutions Code

is amended to read:

13004. Counties, in expending the County Services Block Grant allocation shall provide (a) protective services and foster care services for adults pursuant to Section 12251, (b) information and referral services, (c) In-Home Supportive Services Administration, and (d) transportation to and from health care facilities, or the location of other health care providers, when there is an urgent need for health care and transportation which is not otherwise available from other resources. These transportation services shall be maintained at least at the level provided by counties, as part of health-related services as provided for in Section 12251, on September 30, 1981.

SEC. 51.5. Section 13005 of the Welfare and Institutions Code is amended to read:

13005. Counties, after expending the County Services Block Grant allocation for the priorities specified in Section 13004 may expend any remaining funds for other services directed at the five goals specified in Section 13003.

SEC. 54.2. Section 14100.5 is added to the Welfare and Institutions Code, to read:

14100.5. The department shall prepare and submit Medi-Cal program assumptions and estimates to the Department of Finance. The purpose of the assumptions and estimates shall be to clearly identify changes within the Medi-Cal program which have policy or fiscal implications, and to produce reliable forecasts of Medi-Cal expenditures.

Medi-Cal program assumptions and estimates shall be organized by and correspond to Budget Act or Budget Bill item numbers, separately identifying expenditures for all of the following:

(a) Purchase of medical care and services.
(b) Rate increases.
(c) County administration.
(d) Fiscal intermediary services.

Estimates and assumptions shall indicate state and federal, as well as total, funds expended.

The department shall submit, by September 10 and March 1 of each year, to the Department of Finance for its approval, all assumptions underlying all Medi-Cal program estimates. The Department of Finance shall approve or modify, in writing, the assumptions underlying all estimates within 15 working days of their receipt. If the Department of Finance does not so approve or modify the assumptions by that date, the assumptions, as presented by the department, shall be deemed to be approved by the Department of Finance as of that date.

The department shall submit an estimate of Medi-Cal program expenditures to the Department of Finance by November 1 of each year, and April 20 of each year. All approved estimates and supporting data provided by the department or developed independently by the Department of Finance, shall be made

available to the legislative fiscal committees following approval by the Department of Finance. However, departmental estimates with supporting data shall be forwarded to the legislative fiscal committees on or about January 10 and May 15 of each year in the event this information has not been released earlier.

Each Medi-Cal assumption shall contain a clear narrative description of the statutory, regulatory, or policy change, or other change, that has occurred or will occur which affects Medi-Cal program expenditures or which is of policy importance. Each assumption shall include a cost estimate which contains relevant workload, caseload, unit cost and other data or information needed to support the estimate.

The assumptions related to purchase of medical care and services shall include a section with a nontechnical description of the major variables used to produce a base projection. This section shall further contain an estimate of the fiscal impact of the use of these variables. The estimates related to purchase of medical care and services shall include current and budget year base projections of eligibles, users, expenditures and cost per user by quarter with sufficient past actual data to permit evaluation of the projections. The projections shall be prepared by service category and aid category. The Department of Finance shall identify a high, mid, and low range of Medi-Cal service expenditures, which shall be accompanied by assumptions, when the estimates are released to the Legislature.

The assumptions or estimates related to fiscal intermediary services shall contain a narrative description of how the forecasts are prepared. Sufficient historical workload by claim type and expenditure data shall accompany the forecasts to permit evaluation. Change orders to the fiscal intermediary contract shall be fully described and costs estimated. In addition, important modifications to the Medi-Cal claims processing system not associated with change orders shall be described and, if appropriate, costs or savings, estimated.

Assumptions or estimates related to Medi-Cal county administration costs shall contain a narrative description of how the forecast was prepared. Current and budget year estimates by county shall be prepared. The estimates shall compare past actual and projected workload and expenditures in a format which will permit evaluation of forecasts. Changes in expenditure estimates for individual counties resulting from allocation of funds or other factors shall be identified in subsequent estimates. Unallocated funds and funds for special projects or special problems shall be separately identified. The department shall compare budgeted and actual expenditures by county as soon as the information from county quarterly costs reports becomes available.

The estimates shall compare budgeted to implemented rate increases for the current year. The comparisons shall be by provider category and shall compare budgeted to implemented

increases in terms of percentage increases, date of implementation, and revised estimated cost.

SEC. 54.3. Section 14105.9 is added to the Welfare and Institutions Code, to read:

14105.9. Notwithstanding any other provision of law, all nonsteroid anti-inflammatory drugs approved by the federal Food and Drug Administration shall be included in the Medi-Cal Drug Formulary.

SEC. 54.35. Section 14110.4 is added to the Welfare and Institutions Code, to read:

14110.4. (a) All laundry services for all apparel, linen, garments, towels, and hospital gowns shall be provided by a skilled nursing or intermediate care facility at no cost to a recipient under this chapter. These laundry services shall be considered as part of the basic care provided by the facility under the daily rate provided for pursuant to this chapter. A skilled nursing or intermediate care facility may, however, charge the patient a fee to provide special dry cleaning or treatment for a garment needing this care, when the garment is owned by the patient and when the regular laundry service is not appropriate.

(b) A skilled nursing or intermediate care facility shall provide a periodic hair trim as part of its care for all patients who are recipients under this chapter. This service shall be included as part of the daily rate provided for pursuant to this chapter. A skilled nursing or intermediate care facility may, however, charge a fee for beauty shop services for patients who request special treatments or styling of their hair.

(c) If necessary to establish eligibility for federal participation, the director shall, no later than October 1, 1984, conduct a rate study and shall adjust rates accordingly.

SEC. 54.6. Section 14154 of the Welfare and Institutions Code is amended to read:

14154. The department shall establish and maintain a plan whereby costs for county administration of the determination of eligibility for benefits under this chapter will be effectively controlled within the amounts annually appropriated for such administration. The plan, to be known as the County Administrative Cost Control Plan, shall establish standards and performance criteria, including workload, productivity and support services standards, to which counties shall adhere. The plan shall include standards for controlling eligibility determination costs which are incurred by performing eligibility determinations at county hospitals, or which are incurred due to the outstationing of any other eligibility function. Reimbursement to a county for outstationed eligibility functions shall be based solely on productivity standards applied to that county's welfare department office. The plan shall be part of a single state plan, jointly developed by the department and the State Department of Social Services, in conjunction with the counties, for

administrative cost control for the Aid to Families with Dependent Children (AFDC), Food Stamp, and Medical Assistance (Medi-Cal) programs. Allocations shall be made to each county and shall be limited by and determined based upon the County Administrative Cost Control Plan. In administering the plan to control county administrative costs, the department shall not allocate state funds to cover county cost overruns which result from county failure to meet requirements of the plan. The department and the State Department of Social Services shall budget, administer and allocate state funds for county administration in a uniform and consistent manner.

Nothing in the provisions of this section, Section 15204.5, or Section 18906 shall be construed so as to limit the administrative or budgetary responsibilities of the department in a manner which would violate Section 14100.1, and thereby jeopardize federal financial participation under the Medi-Cal program.

SEC. 56.2. Section 14157.6 is added to the Welfare and Institutions Code, to read:

14157.6. Notwithstanding any other provision of law, any federal and county funds, excluding county funds used for the purposes of Section 4011.1 of the Penal Code, received under the provisions of Section 14157 during each fiscal year, as reimbursement for expenditures for health care services authorized under this chapter made from funds transferred to the Health Care Deposit Fund from the General Fund in prior years, shall be transferred from the Health Care Deposit Fund to the General Fund. When a projected deficiency exists in the Medical Assistance Program, these federal and county funds are hereby appropriated from the General Fund to the Health Care Deposit Fund and shall be expended as soon as practicable, but not sooner than 30 days after notification in writing of the necessity therefor, to the chairperson of the committee in each house which considers appropriations, and the Joint Legislative Budget Committee, for the state's share of payments for medical care and services, county administration, and fiscal intermediary services.

SEC. 56.4. Section 14158.5 is added to the Welfare and Institutions Code, to read:

14158.5. Funds appropriated for purposes of this chapter and Chapter 8 (commencing with Section 14200), shall fully cover and shall not exceed the state's share of payments under this chapter and Chapter 8 (commencing with Section 14200), for the costs of medical care and services, county administration, and fiscal intermediary services. The state's share of the costs of medical care and services, county administration, and fiscal intermediary services shall be determined pursuant to a plan approved by the Director of Finance and certified to by the director.

SEC. 56.7. Section 15200 of the Welfare and Institutions Code, as amended by Section 127.5 of Chapter 323 of the Statutes of 1983, is amended to read:

15200. There is hereby appropriated out of any money in the State Treasury not otherwise appropriated, and after deducting available federal funds, the following sums:

(a) To each county for the support and maintenance of needy children, 89.2 percent of the sums specified in subdivision (a), and paragraphs (1) and (2) of subdivision (e) of Section 11450.

(b) To each county for the support and maintenance of pregnant mothers, 89.2 percent of the sums specified in subdivisions (b) and (c) of Section 11450.

(c) To each county for the support and maintenance of needy children, 95 percent of the sum necessary for the adequate care of each child pursuant to subdivision (d) of Section 11450 for the period July 1, 1979, to December 31, 1985.

(d) To each county for the support and care of hard-to-place adoptive children, 100 percent of the nonfederal share of the amount specified in Section 16121.

(e) This section shall remain in effect only until December 31, 1986, and as of such date is repealed, unless a later enacted statute, which is chaptered before December 31, 1986, deletes or extends such date.

SEC. 56.8. Section 15200 of the Welfare and Institutions Code, as amended by Section 127.6 of Chapter 323 of the Statutes of 1983, is amended to read:

15200. There is hereby appropriated out of any money in the State Treasury not otherwise appropriated, and after deducting federal funds available, the following sums:

(a) To each county for the support and maintenance of needy children, 89.2 percent of the sums specified in subdivision (a), and paragraphs (1) and (2) of subdivision (e), of Section 11450.

(b) To each county for the support and maintenance of pregnant mothers, 89.2 percent of the sum specified in subdivisions (b) and (c) of Section 11450.

(c) To each county for the adequate care of each child pursuant to subdivision (d) of Section 11450 the following amounts:

(1) The sum necessary for the adequate care of each child but not to exceed in any month the product of one hundred twenty dollars ($120) multiplied by the number of children in each county receiving foster care. The state shall pay 67.5 percent and the county shall pay 32.5 percent of the aid furnished for the adequate care of such children.

(2) The state shall reimburse counties for the nonfederal costs of providing an additional twelve dollars and fifty cents ($12.50) a month per eligible child to foster parents. In addition the state may, at its discretion, pay on a pro rata basis from funds specifically appropriated in the Budget Act additional aid for the adequate care of foster children receiving aid under subdivision (d) of Section 11450.

The financial benefit accruing from the additional funds available under this paragraph shall be passed on to foster parents

in order to more adequately reimburse foster parents for their expense, and to enable counties to more readily recruit and retain a selection of homes suited to the diversified needs of the individual child, and the counties shall not substitute the additional state funds received under this paragraph for county funds being expended for foster care at the time when this section takes effect.

(d) To each county for the support and care of hard-to-place adoptive children, 100 percent of the nonfederal share of the amount specified in Section 16121.

(e) This section shall become operative on January 1, 1987.

SEC. 56.9. The Board of Control shall calculate the amount of savings accruing to each county as a result of the operation of Sections 56.7 and 56.8 of this act and shall offset these savings against any costs incurred by that county which would otherwise be reimbursable by the state pursuant to the provisions of Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of the Revenue and Taxation Code.

SEC. 57.8. Section 16715 of the Welfare and Institutions Code is amended to read:

16715. (a) The Local Health Capital Expenditure Account is hereby created in the County Health Services Fund. Moneys in the Local Health Capital Expenditure Account shall be expended by the State Department of Health Services, as specified in this section, to (1) provide financial assistance to local jurisdictions to fund capital expenditures for local health facilities and equipment thereof, including new facilities and equipment and the replacement or modernization of existing facilities and equipment, and (2) defray the department's administrative costs in providing technical assistance to local jurisdictions relative to financing these capital improvements, for which purpose the department shall establish a special personnel unit. Moneys in the Local Health Capital Expenditure Account shall be available for encumbrance without regard to fiscal year.

As used in this section, "local health facility" means any facility owned or operated by a local jurisdiction for the provision of county health services.

(b) The State Department of Health Services shall provide financial assistance to local jurisdictions pursuant to this section in the form of direct loans or grants. Any grant under this section shall not exceed 50 percent of the cost of the project to be financed. The remainder of the cost of the project may be financed with any moneys available to the local jurisdiction for this purpose, including a loan or other financing method.

Loans under this section may be made for an amount not exceeding 80 percent of the project costs, for a term not exceeding 40 years, and shall bear interest on the unpaid principal balance at a rate to be computed annually, which shall be the same as the average rate returned by the Pooled Money Investment Board for

the past five fiscal years immediately preceding the year in which the loan payment is made. The State Department of Health Services shall not require loans under this section to be secured or insured, but shall require as a condition of making a loan that there be a feasible plan for repayment.

The extent to which state assistance under this section shall be in the form of grants or loans, and the discretionary terms of this assistance, shall be established by the State Department of Health Services, as will best serve the needs of each health service area in improving the availability or quality of county health care services. It is the intent of the Legislature that, in providing financial assistance under this section, the State Department of Health Services shall endeavor to equalize the availability of this assistance on the basis of need throughout all geographic areas of the state. In allocating financial assistance, the amount of effort being made by a local jurisdiction to serve all its residents in a comprehensive and efficient manner shall also be considered.

(c) Any local jurisdiction desiring assistance for financing an eligible project under this section shall submit an application to the State Department of Health Services and concurrently transmit a copy thereof to the area health planning agency for the health service area in which the applicant local jurisdiction is located. The area health planning agency shall hold one or more public hearings on the application and shall transmit its recommendation to the State Director of Health Services, who shall make the final decision.

(d) The State Department of Health Services shall develop criteria for use by the department and area health planning agencies in reviewing applications for assistance under this section. The criteria shall be developed in consultation with area health planning agencies, the Office of Statewide Health Planning and Development, the California Conference of Local Health Officers, the County Supervisors' Association of California, and the California Hospital Association, and shall include, but not be limited to, the following:

(1) Consistency of the proposed project with the county health services plan and with the local jurisdiction's long-range development plan.

(2) Consistency of the proposed project with the health systems plan and annual implementation plan developed for the area pursuant to federal Public Law 93-641, as amended.

(3) The extent to which the project will facilitate access of county indigents to health care services, particularly primary health services.

(4) The immediate and long-term financial feasibility of the project, taking into consideration all forms of assistance proposed to be obtained for the project.

(5) In the case of modernization projects, the extent of physical deterioration of the facilities or equipment to be improved,

remodeled, or replaced.

(6) The adequacy of the county health services plan in meeting basic public health needs and the personal health needs of indigents.

(7) The extent to which the local jurisdiction is moving towards a more organized or efficient system of health care delivery.

(8) The extent to which the project is required to eliminate or prevent imminent safety hazards, as defined by federal, state, or local laws or regulations, or to comply with state licensure standards, or to comply with accreditation standards.

(9) The extent to which funds from the Local Health Capital Expenditure Account will be utilized to attract other sources of capital funding for county health facilities.

(e) The State Department of Health Services shall disburse financial assistance under this section pursuant to a contract with the recipient local jurisdiction, which shall specify the conditions of the grant or loan. These conditions may include provisions which assure compliance with the health care objectives for which the application was approved or given priority.

SEC. 60. Section 6 of Chapter 904 of the Statutes of 1980 is repealed.

SEC. 60.1. Section 7 of Chapter 1274 of the Statutes of 1982, as amended by Chapter 323 of the Statutes of 1983, is amended to read:

Sec. 7. On or before July 1, 1983, the State Board of Equalization shall certify to the Controller the amount of refund due to each claimant pursuant to this act. The total amount of money to be available for refunds pursuant to this act shall not exceed one million two hundred thousand dollars ($1,200,000). If the total amount of claims exceeds one million two hundred thousand dollars ($1,200,000), the board shall determine the pro rata share due each claimant based on the proportion each claim bears to the total amount of claims and shall report that amount for certification.

No interest shall be paid on any refund of taxes made pursuant to this act.

There shall be transferred from the General Fund to the Computer Software Refund Fund, which is hereby created, the sum of one million two hundred thousand dollars ($1,200,000), which is hereby appropriated to the Controller, to provide refunds pursuant to this section. The Controller shall pay refunds pursuant to this act on or before September 15, 1984.

SEC. 62. Section 5 of Chapter 171 of the Statutes of 1983 is amended to read:

Sec. 5. (a) The sum of four hundred fifty thousand dollars ($450,000) is hereby appropriated from the Special Account for Capital Outlay to Section A of the State School Fund for allocation by the Superintendent of Public Instruction as a loan to the South Whittier School District.

(b) The South Whittier School District shall repay the amount appropriated in subdivision (a), together with interest at a rate based on the rate of the Pooled Money Investment Account as of the date of the disbursement of funds to the district, in accordance with Section 41310 of the Education Code, in four installments to be paid in the 1984–85, 1985–86, 1986–87, and 1987–88 fiscal years. The entire amount of the loan, plus interest, shall be repaid by June 30, 1988, although the district may accelerate the loan repayments if it determines that conditions will allow an accelerated repayment.

(c) Due to unique circumstances concerning the South Whittier School District, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the Constitution.

SEC. 64.5. Section 63 of Chapter 10 of the 1983–84 First Extraordinary Session is repealed.

SEC. 66. For the 1984–85 fiscal year, the Department of Health Services shall increase Medi-Cal reimbursement rates by 5.55 percent of the rates in effect on June 30, 1984, for those providers which received rate reductions pursuant to Sections 77, 78, and 79 of Chapter 1594 of the Statutes of 1982 and continued by Section 149 of Chapter 323 of the Statutes of 1983. The remaining rate reductions shall remain in effect during the 1984–85 fiscal year. In addition, these rates may be increased by any cost-of-living increase or other rate adjustment included in the Budget Act of 1984 or any other appropriation which changes the level of funding for Medi-Cal services. The utilization control and reimbursement limitations, and service limitations, reductions, or eliminations provided for in Sections 77, 78, and 79 of Chapter 1594 of the Statutes of 1982 and extended by Section 149 of Chapter 323 of the Statutes of 1983, except as modified by a later enacted statute, shall remain in effect during the 1984–85 fiscal year.

The Legislature finds and declares that the 10 percent reduction in expenditures for dental services below the levels in effect on June 30, 1982, which was originally enacted by Section 53 of Chapter 328 of the Statutes of 1982, as amended by Section 77 of Chapter 1594 of the Statutes of 1982, and applied to the 1983–84 fiscal year pursuant to Section 149 of Chapter 323 of the Statutes of 1983, has been implemented by the State Department of Health Services in a manner which has created a reduction of 11.54 percent in expenditures for provider reimbursements during the 1983–84 fiscal year. The Legislature further finds and declares that this 11.54 percent reduction has caused hardship to providers of dental services. The State Department of Health Services shall, therefore, take whatever actions are necessary to ensure that the reduction in expenditures for provider reimbursement, pursuant to this provision, for the 1984–85 fiscal year, and each fiscal year thereafter in which this reduction remains in effect, will be limited to a reduction of 10 percent.

SEC. 66.3. A supplemental payment in addition to the rate determined pursuant to Section 11460 of the Welfare and Institutions Code shall be made to foster care providers in an amount determined by the Legislature in the 1984–85 Budget Act.

SEC. 66.5. Notwithstanding any provision of law to the contrary, the Superintendent of Public Instruction shall recalculate the revenue limit of each school district for the 1981–82 and 1982–83 fiscal years to make appropriate adjustments in the minimum revenue guarantee applicable in those fiscal years to reflect changes in the units of average daily attendance for pupils enrolled in programs and classes maintained by the county office of education. These recalculated revenue limits for the 1981–82 and 1982–83 fiscal years shall be applicable only where their use would generate additional revenues to the school district for those fiscal years.

SEC. 66.7. Pursuant to Section 5080.18 of the Public Resources Code, the Legislature hereby authorizes the term of the concession contract for Pan Pacific Park that is approved as part of the Department of Parks and Recreation's budget in the Budget Act of 1984 to exceed 20 years, if necessary to secure financing of the leasehold improvements to be made pursuant to the contract. However, in no event shall the authorized term of the contract extend beyond March 20, 2028.

SEC. 66.8. Notwithstanding any other provision of law, the repayment of principal and interest on loans for ethanol production facilities made pursuant to former Article 6 (commencing with Section 500) of Chapter 3 of Part 1 of Division 1 of the Food and Agricultural Code shall be deposited in the Agriculture Pest Control Research Account to carry out the purposes of AB 2635 of the 1983–84 Regular Session.

SEC. 67. (a) The Legislature finds and declares as follows:

(1) In the 1981–82 fiscal year approximately $4,500,000 was transferred from the Department of Food and Agriculture Fund to the General Cash Revolving Fund pursuant to Section 16381 of the Government Code.

In the 1982–83 fiscal year approximately $24,600,000 was transferred from the Department of Food and Agriculture Fund to the General Cash Revolving Fund pursuant to Section 16310 of the Government Code.

(2) These funds were eventually reimbursed to the Department of Food and Agriculture Fund.

(3) These funds generated nine hundred sixty-two thousand three hundred and one dollars ($962,301) in interest income while in the General Cash Revolving Fund and this interest income was not deposited in the Department of Food and Agriculture Fund.

(b) The sum of nine hundred sixty-two thousand three hundred and one dollars ($962,301) is hereby appropriated from the General Fund to the Department of Food and Agriculture Fund.

The Controller shall allocate the funds appropriated by this section to the accounts and programs in the Department of Food and Agriculture Fund from which the moneys were initially transferred.

SEC. 67.7. The Legislature finds and declares that Chapter 1060 of the Statutes of 1980 contains mandates, but that the mandates are not reimbursable. It is the intent of the Legislature that no state funds be appropriated for reimbursement of costs incurred as a result of that statute.

SEC. 67.8. The Legislature finds and declares that Chapter 1435 of the Statutes of 1974 was enacted prior to the adoption of Article XIII B of the California Constitution and that reimbursement for any mandates contained therein can be denied under existing statutory provisions. It is the intent of the Legislature that no state funds be appropriated for reimbursement of costs which may have been incurred as a result of that statute.

SEC. 67.9. The Department of Forestry shall (a) fulfill the terms of all its existing Schedule A local fire protection agreements and (b) hire as many qualified fire control personnel as are necessary to provide a total of an additional 69.6 personnel years of staff for Schedule A fire protection operations during the 1984–85 fiscal year.

Under no circumstances shall the department redirect or abolish any other filled or vacant positions currently authorized for Schedule B fire protection activities or other state operations, for the purposes of fulfilling the terms of the above Schedule A fire protection agreements.

The department shall not cancel or refuse to renew any Schedule A fire protection agreements with any local governmental agency unless that local governmental agency has substantially failed to comply with provisions of the agremeent or requests cancellation of agreement.

SEC. 67.91. The State Department of Health Services shall adopt regulations implementing the provisions of Section 54.35 of this act as emergency regulations in accordance with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For the purposes of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the adoption of the regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare.

Notwithstanding the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, emergency regulations adopted by the State Department of Health Services in order to implement the provisions shall not be subject to the review and approval of the Office of Administrative Law. These regulations shall become

effective immediately upon filing with the Secretary of State.

SEC. 67.92. The Employment Development Department, through a proposal process, shall allocate funds provided in Item 5100-001-870 of the Budget Act of 1984 for use in local veterans employment services project development efforts in conjunction with local service delivery areas operating under the federal Job Training Partnership Act and local field offices of the Employment Development Department. No funds appropriated by Item 5100-001-870 of the Budget Act of 1984 shall be allocated to fund direct placement services.

The Joint Legislative Budget Committee shall report to the Legislature by March 1, 1985, on this program, together with recommendations regarding continuation of the program.

This section shall remain in effect only until June 30, 1985, and as of that date is repealed.

SEC. 67.93. The sum of five hundred eighty-seven thousand dollars ($587,000) is hereby appropriated from the Contractors' License Fund to the Contractors' State License Board for the employment of 15 deputy registrars II during the 1984–85 fiscal year, who shall be limited-term employees.

SEC. 68.3. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 68.4. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act.

SEC. 68.5. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

SEC. 69. If any provision of this act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

SEC. 70. The provisions of this act shall not become operative unless and until the Budget Act of 1984 becomes law.

SEC. 71. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go

into immediate effect. The facts constituting the necessity are:

In order that this act, which would provide necessary statutory adjustments to implement the Budget Act of 1984, may take effect during the 1984–85 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 269

An act to amend Sections 53312, 53313.5, 53314.3, 53316, 53317, 53318, 53319, 53320, 53321, 53324, 53325, 53325.1, 53325.5, 53328, 53329, 53330, 53330.5, 53332, 53334, 53337, 53340, 53351, 53353.5, 53358, 53359, and 53361.4 of, to amend the heading of Article 3 (commencing with Section 53330) of Chapter 2.5 of Part 1 of Division 2 of Title 5 of, to amend and renumber Sections 53325.3, 53325.4, and 53327 of, to add Sections 53313, 53313.6, 53313.7, 53316.2, 53316.4, 53316.6, 53322.4, 53325.3, 53325.7, 53341, 53362, 53362.5, 53363, 53363.2, 53363.5, 53363.7, 53363.8, 53363.9, 53364, 53364.2, and 53365.7 to, to add Article 3.5 (commencing with Section 53339) to Chapter 2.5 of Part 1 of Division 2 of Title 5 of, to repeal Sections 53326, 53353, 53362, 53363, 53363.5, and 53364 of, and to repeal Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of, the Government Code, relating to community facilities, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 2, 1984. Filed with Secretary of State July 3, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code, as added by Chapter 1439 of the Statutes of 1982, is repealed.

SEC. 2. Section 53312 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53312. When any proceedings are commenced under this chapter for the establishment of a community facilities district or for providing additional types of facilities and services within an established community facilities district, the provisions of this chapter shall prevail. A community facilities district is a legally constituted governmental entity established for the purpose of financing specific facilities and activities within definitely defined boundaries.

SEC. 2.1. Section 53313 is added to the Government Code, to read:

53313. A community facilities district may be established under this chapter to provide any one or more of the following types of additional services within an area:

(a) Police protection services, including, but not limited to,

criminal justice services. However, criminal justice services shall be limited to providing services for jails, detention facilities, and juvenile halls.

(b) Fire protection and suppression services, and ambulance and paramedic services.

(c) Recreation program services and the operation and maintenance of parks and parkways. A special tax may be levied for this purpose only upon approval of the voters as specified in subdivision (b) of Section 53328.

(d) Flood and storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems.

A community facilities district may only provide the services authorized in this section to the extent that they are in addition to those provided in the territory of the district before the district was created, and may not supplant those services already available within that territory.

SEC. 2.3. Section 53313.5 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53313.5. A community facilities district may also provide for the purchase, construction, expansion, or rehabilitation of any real or other tangible property with an estimated useful life of five years or longer which is necessary to meet increased demands placed upon local agencies as the result of development or rehabilitation occurring within the district. For example, a community facilities district may provide facilities, including, but not limited to, the following:

(a) Local park, recreation, or parkway facilities.

(b) Elementary and secondary school sites and structures provided that the facilities meet the building area and cost standards established by the State Allocation Board.

(c) Libraries.

(d) The district may also finance the construction of natural gas pipeline facilities, telephone lines, and facilities for the transmission or distribution of electrical energy to provide access to those services to customers who do not have access to those services. The district may contract with a public utility to utilize those facilities to provide a particular service and to reimburse the district for the cost of the facilities. Any reimbursement made to the district shall be utilized to reduce or minimize the special tax levied within the district.

(e) Any other governmental facilities which the legislative body creating the community facilities district is authorized by law to construct, own, or operate. However, the district shall not operate or maintain or, except as otherwise provided in subdivision (d), have any ownership interest in any facilities for the transmission or distribution of natural gas, telephone service, or electrical energy.

SEC. 2.5. Section 53313.6 is added to the Government Code, to read:

53313.6. The legislative body may provide for adjustments in ad

valorem property taxes pursuant to Section 53313.7 within a community facilities district only after making the following findings at the conclusion of the public hearing held pursuant to Article 2 (commencing with Section 53318):

(a) That an ad valorem property tax is levied on property within a proposed community facilities district for the exclusive purpose of paying principal or interest on bonds or other indebtedness, including state school building loans, incurred to finance construction of capital facilities.

(b) That capital facilities to be financed and constructed by the community facilities district will provide the same services to the territory of the community facilities district as were provided by the capital facilities mentioned in subdivision (a).

SEC. 2.7. Section 53313.7 is added to the Government Code, to read:

53313.7. Upon making the findings pursuant to Section 53313.6, the legislative body may, with the concurrence of the legislative body which levied the property tax described in subdivision (a) of Section 53313.6, by ordinance, determine that the total annual amount of ad valorem property tax revenue due from parcels within the proposed community facilities district, for purposes of paying principal and interest on the debt identified in Section 53313.6, shall not be increased after the date on which the community facilities district is created, or after a later date determined by the legislative body creating the community facilities district with the concurrence of the legislative body which levied the property tax in question.

SEC. 3. Section 53314.3 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53314.3. In the first fiscal year in which a special tax or charge is levied for any facility or for any services in a community facilities district or a zone within a community facilities district, the legislative body shall include in the levy a sum sufficient to repay to the legislative body the amounts transferred to that area or zone pursuant to Section 53314. The amounts borrowed, with interest, shall be retransferred to the proper fund or funds from the first available receipts from the special levy in that area or zone.

Notwithstanding the above provisions, the legislative body may, by a resolution adopted no later than the time of the first levy, extend the repayment of the transferred funds over a period of time not to exceed three consecutive years, in which event the levy and each subsequent levy shall include a sum sufficient to repay the amount specified by the legislative body for the year of the levy.

SEC. 4. Section 53316 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53316. This chapter applies to all cities, counties, or districts insofar as those entities have the power to install any of the facilities or provide any of the services authorized under this chapter. The officers of cities, counties, or districts who have similar powers and duties, as determined by the legislative body of the city, county, or

district, as the municipal officers referred to in this chapter shall have the powers and duties given by this chapter to the municipal officials. Where no similar officer exists, the legislative body of the city, county, or district shall, by resolution, appoint a person or designate an officer to perform the duties under this chapter.

SEC. 5. Section 53316.2 is added to the Government Code, to read:

53316.2. (a) The legislative bodies of two or more local agencies or community facilities districts, or any combination thereof, may enter into a joint exercise of powers agreement pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 to exercise any power authorized by this chapter if the legislative body of each entity adopts a resolution declaring that such a joint agreement would be beneficial to the residents of that entity.

(b) Notwithstanding Chapter 5 (commencing with Section 6500) of Division 7 of Title 1, a contracting party may use the proceeds of any special tax or charge levied pursuant to this chapter or of any bonds or other indebtedness issued pursuant to this chapter to provide facilities or services which that contracting party is otherwise authorized by law to provide, even though another contracting party does not have the power to provide those facilities or services.

SEC. 6. Section 53316.4 is added to the Government Code, to read:

53316.4. The agreement entered into pursuant to Section 53316.2 shall contain a description of the facilities and services to be provided under the agreement, and any real or tangible property which is to be purchased, constructed, expanded, or rehabilitated.

SEC. 7. Section 53316.6 is added to the Government Code, to read:

53316.6. The agreement entered into pursuant to Section 53316.2 may provide for the division of responsibility to provide any of the facilities or services among the entities entering into the agreement. The agreement shall provide for the allocation and distribution of the proceeds of any special tax levy among the parties to the agreement.

SEC. 8. Section 53317 of the Government Code, as added by Chapter 1451 of the Statutes of 1982 and as amended by Section 2 of Chapter 609 of the Statutes of 1983, is further amended to read:

53317. Unless the context otherwise requires, the definitions contained in this article shall govern the construction of this chapter.

(a) "Clerk" means the clerk of the legislative body of a local agency.

(b) "Community facilities district" means the district of land in which public facilities and authorized services are to be provided, and in which special taxes and charges may be levied pursuant to this chapter to pay for those facilities and services.

(c) "Debt" means any binding obligation to repay a sum of money, including obligations in the form of bonds, certificates of participation, long-term leases, loans from government agencies, or

loans from banks, other financial institutions, private businesses, or individuals.

(d) "Landowner" or "owner of land" means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of the land by the legislative body. The legislative body has no obligation to obtain other information as to the ownership of the land, and its determination of ownership shall be final and conclusive for the purposes of this chapter.

(e) "Legislative body" means the legislative body or governing board of any local agency.

(f) "Local agency" means any city or county, whether general law or chartered, special district, school district, joint powers entity created pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1, or any other municipal corporation or district.

(g) "Services" means the provision of police and fire protection services, recreation programs, the operation and maintenance of parks and parkways, and the provision of flood and storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems. "Services" includes the performance by employees of functions, operations, maintenance, and repair activities.

SEC. 8.4. Section 53318 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53318. Proceedings for the establishment of a community facilities district may be instituted by the legislative body on its own initiative and shall be instituted by the legislative body when any of the following occurs:

(a) A written request for the establishment of a district, signed by two members of the legislative body, describing the boundaries of the territory which is proposed for inclusion in the area and specifying the type or types of facilities and services to be provided within the area, is filed with the legislative body.

(b) A petition requesting the institution of such proceeding signed by the requisite number of registered voters, as specified in subdivision (d) of Section 53319, is filed with the clerk of the legislative body. The petition may consist of any number of separate instruments, each of which shall comply with all of the requirements of the petition. except as to the number of signatures.

(c) A petition requesting the institution of such proceedings signed by landowners owning the requisite portion of the area of the proposed district, as specified in subdivision (d) of Section 53319, is filed with the clerk of the legislative body.

(d) The written request filed pursuant to subdivision (a) and the petitions filed pursuant to subdivisions (b) and (c) shall be accompanied by the payment of a fee in an amount which the legislative body determines is sufficient to compensate the legislative body for all costs incurred in conducting proceedings to create a district pursuant to this chapter.

SEC. 8.8. Section 53319 of the Government Code, as added by

Chapter 1451 of the Statutes of 1982, is amended to read:

53319. A petition requesting the institution of proceedings for the establishment of a community facilities district shall do all of the following:

(a) Request the legislative body to institute proceedings to establish a community facilities district pursuant to this chapter.

(b) Describe the boundaries of the territory which is proposed for inclusion in the district.

(c) State the type or types of facilities and services to be provided within the area

(d) Be signed by not less than 10 percent of the registered voters residing within the territory proposed to be included within the district or by owners of not less than 10 percent of the area of land proposed to be included within the district. If the legislative body finds that the petition is signed by the requisite number of registered voters residing within the territory proposed to be included within the district or by the requisite number of owners of land proposed to be included within the district, that finding shall be final and conclusive.

SEC. 9. Section 53320 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53320. Within 40 days after either a written request by two members of the legislative body or a petition requesting the institution of proceedings for the establishment of a community facilities district is filed with it, the legislative body shall adopt a resolution of intention to establish a community facilities district in the form specified in Section 53321.

SEC. 10. Section 53321 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53321. Proceedings for the establishment of a community facilities district shall be instituted by the adoption of a resolution of intention to establish the district which shall do all of the following:

(a) State that a community facilities district is proposed to be established under the terms of this chapter and describe the boundaries of the territory proposed for inclusion in the district.

(b) State the name proposed for the district in substantially the following form: "Community Facilities District No. _____."

(c) State the type or types of public facilities and services proposed to be provided within the district pursuant to this chapter.

(d) State that, except where funds are otherwise available, a special tax sufficient to pay for all such facilities and services will be annually levied within such area. The resolution shall specify the rate and method of apportionment of the special tax in sufficient detail to allow each landowner or resident within the proposed district to estimate the annual amount that he or she will have to pay.

(e) Make a finding that the proposed facility is necessary to meet increased demands put upon the local agency as a result of the new development or rehabilitation.

(f) Fix a time and place for a public hearing on the establishment

of the district which shall be not less than 30 nor more than 60 days after the adoption of the resolution.

(g) Describe any adjustment in property taxation to pay prior indebtedness pursuant to Sections 53313.6 and 53313.7.

SEC. 11. Section 53322.4 is added to the Government Code, to read:

53322.4. The clerk of the legislative body shall also give notice of the hearing by first-class mail to each registered voter and to each landowner within the proposed district. This notice shall be mailed at least 15 days before the hearing and shall contain the same information as is required to be contained in the notice published pursuant to Section 53322.

SEC. 12. Section 53324 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53324. If 50 percent or more of the registered voters, or six registered voters, whichever is more, residing within the territory proposed to be included in the district, or the owners of one-half or more of the area of the land in the territory proposed to be included in the district, file written protests against the establishment of the district, the legislative body shall abandon the proposed establishment of the community facilities district.

If such majority protests of the registered voters or of the landowners are only against the furnishing of a specified type or types of facilities or services within the district, or against levying a specified special tax, those types of facilities or services or the specified special tax shall be eliminated from the resolution finally establishing the district.

SEC. 13. Section 53325 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53325. The hearing may be continued from time to time, but shall be completed within 30 days. At the conclusion of the hearing, the legislative body may abandon the proposed establishment of the community facilities district or may, after passing upon all protests, determine to proceed with establishing the district.

SEC. 14. Section 53325.1 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53325.1. (a) If the legislative body determines to establish the district, it shall adopt a resolution of formation establishing the district. The resolution of formation shall contain all of the information required to be included in the resolution of intention to establish the district specified in Section 53321. If a special tax is proposed to be levied in the district to pay for any facilities or services and the special tax has not been eliminated by majority protest pursuant to Section 53324, the resolution shall state that fact and shall identify any facilities or services proposed to be funded with the special tax.

(b) Prior to adopting the resolution of formation pursuant to subdivision (a), the legislative body shall determine whether all prior proceedings were valid and in conformity with the

requirements of this chapter. If the legislative body determines that all prior proceedings were valid and in conformity with the requirements of this chapter, it shall make a finding to that effect and that finding shall be final and conclusive.

SEC. 15. Section 53325.3 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended and renumbered to read:

53326. The legislative body shall then submit the levy of any special taxes to the qualified electors of the proposed community facilities district in the next general election or in a special election to be held, notwithstanding any other requirement contained in the Elections Code, at least 90 days, but not more than 180 days, following the close of the protest hearing, whichever election date occurs first. If 12 or more registered voters reside within the territory of the proposed community facilities district at the time of the close of the protest hearing, and for at least the preceding 90 days, the vote shall be by the registered voters of the proposed district, with each voter having one vote. Otherwise, the vote shall be by the landowners of the proposed district, each landowner having one vote for each acre or portion thereof of land that he or she owns within the proposed community facilities district. Ballots for a special election for this purpose may be distributed to qualified electors by mail with return postage prepaid.

SEC. 15.5. Section 53325.3 is added to the Government Code, to read:

53325.3. A tax imposed pursuant to this chapter is a special tax and not a special assessment, and there is no requirement that the tax be apportioned on the basis of benefit to any property. However, a special tax levied pursuant to this chapter may be on or based on benefit received by parcels of real property, the cost of making facilities or authorized services available to each parcel, or other reasonable basis as determined by the legislative body. A special tax apportioned on any of these bases shall not be construed to be on or based upon the ownership of real property.

SEC. 16. Section 53325.4 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended and renumbered to read:

53327. Except as otherwise provided in this chapter, the provisions of the Uniform District Election Law, Part 3 (commencing with Section 23500) of Division 14 of the Elections Code, insofar as they may be applicable, shall govern all elections conducted pursuant to this chapter.

SEC. 16.5. Section 53325.5 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53325.5. (a) A community facilities district may include areas of territory that are not contiguous.

(b) In establishing the boundaries of the district, the legislative body may alter the exterior boundaries of the district to include less territory than that described in the notice of the hearing but it may

not include any territory not described in the notice of the hearing.

SEC. 17. Section 53325.7 is added to the Government Code, to read:

53325.7. The legislative body may submit a proposition to establish or change the appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of a community facilities district to the qualified electors of a proposed or established district. The proposition establishing or changing the appropriations limit shall become effective if approved by the voters voting on the proposition and shall be adjusted for changes in the cost of living and changes in populations, as defined by Section 7901, and in accordance with Section 1 of Article XIII B of the California Constitution.

SEC. 18. Section 53326 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is repealed.

SEC. 19. Section 53327 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended and renumbered to read:

53321.5. At the time of the adoption of the resolution of intention to establish a community facilities district, the legislative body shall direct each of its officers who is or will be responsible for providing one or more of the proposed types of public facilities or services within the district, if it is established, to study the proposed district and, at or before the time of the hearing, file a report with the legislative body containing a brief description of the public facilities and services by type which will in his or her opinion be required to adequately meet the needs of the district and his or her estimate of the cost of providing those public facilities and services. All of those reports shall be made a part of the record of the hearing on the resolution of intention to establish the district.

SEC. 20. Section 53328 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53328. (a) Except as otherwise provided in subdivision (b), after the canvass of returns of any election pursuant to Section 53326, the legislative body may levy any special tax as specified in the resolution of formation adopted pursuant to subdivision (a) of Section 53325.1 within the territory of the district if two-thirds of the voters voting upon the question of levying the tax vote in favor of levying that tax.

(b) A special tax may be levied to provide the services specified in subdivision (c) of Section 53313 only if two-thirds of the voters voting upon the question of levying a tax for that purpose, or 100 voters, whichever is more, vote in favor of levying a tax for that purpose.

SEC. 21. Section 53329 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53329. After the canvass of returns of any election conducted pursuant to Section 53326, the legislative body shall take no further action with respect to levying any specified special tax within the community facilities district for one year from the date of the

election if the question of levying that specified special tax fails to receive approval by two-thirds of the voters voting upon the question.

SEC. 21.5. Section 53330.5 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53330.5. Upon approval of a special tax pursuant to Article 2 (commencing with Section 53318), the special tax may be levied only at the rate and may be apportioned only in the manner specified in the resolution proposing establishment of the district, except as provided in this article, and except that the legislative body may levy the special tax at a rate lower than that specified in the resolution. In addition, the special tax may be levied only so long as it is needed to pay the principal and interest on debt incurred in order to construct facilities under authority of this chapter, or so long as it is needed to pay for services or the construction of facilities authorized by this chapter.

SEC. 22. The heading of Article 3 (commencing with Section 53330) of Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

Article 3. Extension of Authorized Facilities and Services and Changes in Special Taxes

SEC. 23. Section 53330 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53330. Upon the establishment of a community facilities district only the types of public facilities and services specified in the resolution of formation may be authorized or provided in the district under the authority of this chapter, except as provided in this article.

SEC. 23.4. Section 53332 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53332. (a) If a petition signed by 25 percent or more of the registered voters residing in the district, or by the owners of 25 percent or more of the territory within the district, is filed with the legislative body requesting that proceedings be commenced for the furnishing of specified additional types of public facilities or services or that provision of specified public service be reduced or terminated or that new special taxes be levied, or that any existing special tax be reduced or terminated, the legislative body shall within 40 days thereafter adopt a resolution of intention in the form specified in Section 53334 to make those changes within the community facilities district except that an existing special tax being used to pay off any debt incurred in order to build or acquire capital facilities under this chapter shall not be reduced or terminated if doing so would interfere with the timely retirement of that debt.

(b) Any such petition filed by landowners shall be accompanied by the payment of such fee as the legislative body determines. That fee may be imposed in an amount sufficient to compensate the

legislative body for all costs incurred in conducting proceedings to change the district pursuant to this article.

SEC. 23.7. Section 53334 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53334. The resolution of intention to alter the types of public facilities and services provided within an established community facilities district, or to levy a new special tax or special taxes, or to alter the rate or method of apportionment of an existing special tax, shall do all of the following:

(a) State the name of the area.

(b) Generally describe the territory included in the area.

(c) Specify the changes in public facilities and services which it is proposed to provide within the district.

(d) Specify any new special taxes which would be levied to pay for new or existing facilities and services and any proposed alteration to the rate or method of apportionment of an existing special tax.

(e) Fix a time and place for a hearing upon the resolution which shall not be less than 30 or more than 60 days after the adoption of the resolution of intention.

SEC. 24. Section 53337 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53337. If 50 percent or more of the registered voters, or six registered voters, whichever is more, residing within the district, or the owners of one-half or more of the area of the land in the territory included in the district file written protests against changing the public facilities or services provided within the district, those changes in the facilities or services shall be eliminated from the resolution ordering changes in the types of public facilities or services to be provided within the district.

If 50 percent or more of the registered voters, or six registered voters, whichever is more, residing within the district, or the owners of one-half or more of the area of the land in the territory included in the district file written protests against the levying of any additional special taxes within the district, or against a proposed alteration to an existing special tax within the district, those changes shall be eliminated from the resolution ordering the additional taxes.

SEC. 25. Article 3.5 (commencing with Section 53339) is added to Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code, to read:

Article 3.5. Annexation of Territory

53339. The legislative body of a community facilities district may annex territory to an existing community facilities district as provided in this article. The annexed territory need not be contiguous to territory included in the existing community facilities district.

53339.2. If the legislative body of a community facilities district determines that public convenience and necessity require that

territory be added to an existing community facilities district, or if the voters residing within certain territory or landowners request the legislative body to include territory within the district, the legislative body may adopt a resolution of intention to annex the territory.

53339.3. The resolution of intention to annex the territory shall do all of the following:

(a) State the name of the existing community facilities district.

(b) Generally describe the territory included in the existing district and the territory proposed to be annexed.

(c) Specify the types of public facilities and services provided pursuant to this chapter in the existing district and the types of public facilities and services to be provided in the territory proposed to be annexed; and include a plan for sharing facilities and providing services that will be provided in common within the existing district and the territory proposed to be annexed.

(d) Specify any special taxes which would be levied within the territory proposed to be annexed to pay for public facilities and services provided pursuant to this chapter within that territory. A special tax proposed to pay for services to be supplied within the territory proposed to be annexed shall be equal to any special tax levied to pay for the same services in the existing district, except that a higher or lower tax may be levied within the territory proposed to be annexed to the extent that the actual cost of providing the services in that territory is higher or lower than the cost of providing those services in the existing district. A special tax proposed to pay for public facilities financed with bonds secured by the existing community facilities district shall be the same as the tax levied in the existing district for that purpose, except that a higher special tax may be levied for that purpose within the territory proposed to be annexed to compensate for the interest and principal previously paid by the existing community facilities district, less any depreciation allocable to the public facility.

(e) Specify any alteration in the special tax rate levied within the existing community facilities district as a result of the proposed annexation. The maximum tax rate in the existing community facilities district may not be increased as a result of proceedings pursuant to this article.

(f) Fix a time and place for a hearing upon the resolution which shall not be less than 30 nor more than 60 days after the adoption by the legislative body of the resolution of intention to annex territory pursuant to Section 53339.2.

53339.4. The clerk of the legislative body shall give notice of the hearing in the same manner and within the same time as provided for the giving of notice of a hearing on a resolution of intention to establish a community facilities district, as required by Section 53322. The notice required by Section 53322.4 shall be mailed to the registered voters and landowners within the territory proposed to be annexed.

The notice shall do all of the following:

(a) Contain the text of the resolution.

(b) State the time and place for the hearing.

(c) State that at the hearing the testimony of all interested persons for or against the annexation of territory to the community facilities district or the levying of special taxes within the territory proposed to be annexed will be heard.

53339.5. At the hearing, protests against the proposals described in the resolution of intention may be made orally by any interested person. Any protests pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularities or defects to which objection is made. All written protests shall be filed with the clerk of the legislative body prior to the time fixed for the hearing. The legislative body may waive any irregularities in the form or content of any written protest and at the hearing may correct minor defects in the proceedings. Written protests may be withdrawn in writing at any time before the conclusion of the hearing.

53339.6. If 50 percent or more of the registered voters, or six registered voters, whichever is more, residing within the existing community facilities district, or if 50 percent or more of the registered voters or six registered voters, whichever is more, residing within the territory proposed for annexation, or if the owners of one-half or more of the area of land in the territory included in the existing district, or if the owners of one-half or more of the area of land in the territory proposed to be annexed, file written protests against the proposed addition of territory to the existing community facilities district, the legislative body shall abandon the proposed annexation of that territory to the community facilities district.

53339.7. The hearing may be continued from time to time, but shall be completed within 30 days. At the conclusion of the hearing, the legislative body may abandon the proceedings or may, after passing upon all protests, submit the question of levying a special tax within the area proposed to be annexed to the existing community facilities district to the qualified electors of the area proposed to be annexed as specified in Article 2 (commencing with Section 53318).

53339.8. After the canvass of returns of any election conducted in accordance with Section 53339.7, the legislative body shall determine that the area proposed to be annexed is added to and part of the existing community facilities district with full legal effect, and the legislative body may levy any special tax within the annexed territory, as specified in the resolution of intention to annex adopted pursuant to Section 53339.2, if two-thirds of the voters voting on the proposition vote in favor of levying the special tax.

53339.9. After the canvass of returns of any election conducted in accordance with Section 53339.7, the legislative body shall take no further action on annexing the territory proposed to be annexed to the community facilities district if less than two-thirds of the voters voting on the proposition vote in favor of levying the special tax.

SEC. 26. Section 53340 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53340. After a community facilities district has been created and authorized to levy specified special taxes pursuant to Article 2 (commencing with Section 53318), Article 3 (commencing with Section 53330), or Article 3.5 (commencing with Section 53339), the legislative body may, by ordinance, levy the special taxes at the rate and apportion them in the manner specified in the resolution adopted pursuant to Article 2 (commencing with Section 53318), Article 3 (commencing with Section 53330), or Article 3.5 (commencing with Section 53339), except that the legislative body may levy the special tax at a lower rate. Properties or entities of the state, federal, or other local governments shall be exempt from any such special tax. The proceeds of any special tax may only be used to pay, in whole or part, the cost of providing public facilities and services pursuant to this chapter. The special tax may be collected in the same manner as ordinary ad valorem property taxes are collected and may be subject to the same penalties and the same procedure and sale in case of delinquency as provided for ad valorem taxes, or another procedure may be adopted if the legislative body prefers. The tax collector may deduct the reasonable administrative costs incurred in collecting the special tax.

SEC. 26.5. Section 53341 is added to the Government Code, to read:

53341. Any action or proceeding to attack, review, set aside, void, or annul the levy of a special tax or an increase in a special tax pursuant to this chapter shall be commenced within 30 days after the special tax is approved by the voters. Any appeal from a final judgment in that action or proceeding shall be perfected within 30 days after the entry of judgment.

SEC. 26.7. Section 53351 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53351. After the legislative body has made its determination pursuant to Section 53350, if it deems it necessary to incur the bonded indebtedness, it shall by resolution state all of the following:

(a) That it deems it necessary to incur the bonded indebtedness.

(b) The purpose for which the bonded indebtedness will be incurred.

(c) Either of the following in accordance with its previous determination:

(1) That the whole of the district will pay for the bonded indebtedness.

(2) That a portion of the district will pay for the bonded indebtedness, which portion shall be described in the resolution of the board made pursuant to Section 53350.

(d) The amount of debt to be incurred.

(e) The maximum term the bonds to be issued shall run before maturity, which term shall not exceed 40 years.

(f) The maximum annual rate of interest to be paid, payable

annually or semiannually, or in part annually and in part semiannually.

(g) That the proposition will be submitted to the voters.

(h) The date of the special community facilities district election (which may be consolidated with a general or special district election including an election to levy a special tax) at which time the proposition shall be submitted to the voters.

(i) If the election is not conducted by mail ballot, the hours between which the polls shall be open; the boundaries of voting precincts within the district or portion of the district benefitted by incurring the bonded indebtedness; the location of polling places; and the names of the officers selected to conduct the election in each precinct, who shall consist of one judge, one inspector, and two clerks.

SEC. 26.9. Section 53353 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is repealed.

SEC. 27. Section 53353.5 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53353.5. (a) Propositions relating to the levy of a special tax, the incurring of bonded indebtedness, or to establish or change an appropriations limit, or any combination thereof, under this chapter, may be combined into one ballot proposition as determined by the legislative body.

(b) The amendment of this section enacted by the Statutes of 1984 does not constitute a change in, but is declaratory of and a clarification of, the existing law.

SEC. 27.3. Section 53358 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53358. Each year at the time the legislative body fixes and levies special taxes and charges for the community facilities district it shall also fix and levy that amount of special taxes and charges within the community facilities district which is required for the payment of the principal of and interest on any outstanding bonded debt of the community facilities district becoming due and payable during the ensuing year, including any necessary replenishment of bond reserve funds or other reserve funds. The special tax or charge shall be levied and collected by the same officers and at the same time and in the same manner that all other special taxes and charges are levied and collected for the community facilities district. The special taxes and charges shall not exceed the authority granted by Article 2 (commencing with Section 53318) and Article 3 (commencing with Section 53330). All of the collections shall be paid into the community facilities district bond fund and reserve fund for the particular community facilities district and shall be used solely for the payment of the principal of and interest on the outstanding bonds of the community facilities district.

SEC. 27.5. Section 53359 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53359. An action to determine the validity of bonds issued

pursuant to this chapter or the validity of any special taxes levied pursuant to this chapter may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

SEC. 27.7. Section 53361.4 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is amended to read:

53361.4. Whenever the legislative body declares by resolution that it deems it desirable that any bonds issued or to be issued by the community facilities district or an improvement area within the district should be certified by the Treasurer as provided in this section, or if the community facilities district was established by the legislative body of a special district that is required to seek certification of its bonds by the Treasurer pursuant to the District Securities Investigation Law or other provisions of law, the legislative body shall file a certified copy of the resolution with the Treasurer and the bonds described in the resolution shall then be subject to investigation and certification by the Treasurer. If, in the opinion of the Treasurer, the bonds are adequately secured and the revenues and other funds applicable to the payment of the bonds are, or upon the acquisition, construction, or improvement of the enterprise for which the bonds were or are to be issued, will be sufficient to pay the principal of and interest on the bonds, the Treasurer shall certify that the bonds are legal investments for all trust funds, for the funds of all insurance companies, the state school funds, and any funds, other than funds of savings banks, which may be invested in bonds of cities, counties, cities and counties, school districts, or municipalities in the state.

SEC. 28. Section 53362 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is repealed.

SEC. 29. Section 53362 is added to the Government Code, to read:

53362. The legislative body may, by resolution, issue new bonds to refund any or all of the district bonds outstanding or improvement area bonds outstanding that have been issued pursuant to this article.

SEC. 30. Section 53362.5 is added to the Government Code, to read:

53362.5. Refunding bonds shall not be issued if the total net interest cost to maturity on the refunding bonds plus the principal amount of the refunding bonds exceeds the total net interest cost to maturity on the bonds to be refunded plus the principal amount of the bonds to be refunded. Subject to such limitations, the principal amount of the refunding bonds may be more than, less than, or the same as the principal amount of the bonds to be refunded.

SEC. 31. Section 53363 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is repealed.

SEC. 32. Section 53363 is added to the Government Code, to read:

53363. Except as otherwise provided in this article, the legislative body may issue refunding bonds without repeating any of the procedures required for the approval of the original bond issue, if the legislative body determines that it would be prudent in the

management of its fiscal affairs to issue the refunding bonds.

SEC. 33. Section 53363.2 is added to the Government Code, to read:

53363.2. If the legislative body determines to issue refunding bonds pursuant to this article it shall adopt a resolution providing for their issuance. The resolution shall:

(a) Describe the bonds being refunded and state the date on which it is anticipated that the exchange or purchase necessary to effect the refunding will occur.

(b) Fix the date of the refunding bonds.

(c) Designate the denomination or denominations of the refunding bonds.

(d) Fix the minimum rate or rates of interest to be paid on the refunding bonds.

(e) Fix the maturity dates of the refunding bonds, which shall not exceed the latest maturity date of the bonds being refunded.

(f) Designate the place or places of payment of principal and interest on the refunding bonds and on the bonds to be refunded.

(g) Describe the form of the refunding bonds.

(h) State the designated costs of issuing the refunded bonds, as defined by Section 53363.8.

SEC. 34. Section 53363.5 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is repealed.

SEC. 35. Section 53363.5 is added to the Government Code, to read:

53363.5. Any refunding bonds issued pursuant to this article may be exchanged for the bonds to be refunded on such basis as the legislative body determines is for the benefit of the district, but shall be issued in compliance with Section 53362.5. As an alternative to exchanging the refunding bonds for the bonds to be refunded, the legislative body may sell the refunding bonds at public or private sale. The proceeds of any sale of refunding bonds for cash shall be placed in the treasury of the local agency to the credit of a fund to be established for the purpose of refunding the bonds to be refunded, which fund shall be designated the "funding fund," and the proceeds of the sale shall be applied only as permitted by this article. The funds shall be secured and may be invested in accordance with any other laws applicable to the funds of the local agency.

SEC. 36. Section 53363.7 is added to the Government Code, to read:

53363.7. The designated costs of issuing the refunding bonds, as defined by Section 53363.8, may be paid by the purchaser of the refunding bonds or may be paid from any other legally available source, including any available revenues of the legislative body, the proceeds of sale of the refunding bonds, the interest or other gain derived from the investment of any of the proceeds of sale of the refunding bonds, or any combination thereof, as determined by the legislative body. However, any amounts paid by the local agency other than from the proceeds of sale of the refunding bonds or from

interest or other gains derived from the investment of the proceeds of sale shall be added to the total net interest cost to maturity on the refunding bonds in determining whether the issuance of the refunding bonds complies with Section 53362.5.

SEC. 37. Section 53363.8 is added to the Government Code, to read:

53363.8. For purposes of this article, the term "designated costs of issuing the refunding bonds" means any of the following costs and expenses designated by the legislative body in the resolution providing for the issuance of the refunding bonds:

(a) All expenses incident to the calling, retiring, or paying of the bonds to be refunded and incident to the issuance of refunding bonds, including the charges of any agent in connection with the issuance of the refunding bonds or in connection with the redemption or retirement of the bonds to be refunded.

(b) Either of the following:

(1) The interest upon the refunding bonds from the date of sale of the refunding bonds to the date of payment of the bonds to be refunded out of the proceeds of the sale of the refunding bonds or to the date upon which the bonds to be refunded will be paid pursuant to call or agreement with the holders of the bonds.

(2) The interest upon the bonds to be refunded from the date of sale of the refunding bonds to the date of payment of the bonds to be refunded or to the date upon which the bonds to be refunded will be paid pursuant to call or agreement with the holders of the bonds.

(c) Any premium necessary in the calling or retiring of the bonds to be refunded.

SEC. 38. Section 53363.9 is added to the Government Code, to read:

53363.9. The proceeds and investments in the "funding fund" shall be in an amount sufficient to meet either the requirements of paragraph (a) or paragraph (b) at the time of issuance of the refunding bonds, as certified by a certified public accountant licensed to practice in this state:

(a) The proceeds and investments, together with any interest or other gain to be derived from any such investment, shall be in an amount sufficient to pay the principal, interest, and redemption premiums, if any, on the refunded bonds as they become due or at designated dates prior to maturity and the designated costs of issuance of the refunding bonds.

(b) The proceeds and investments, together with any interest or other gain to be derived from any such investment, shall be in an amount sufficient to pay the principal, interest, and redemption premiums, if any, on the refunding bonds prior to the maturity of the bonds to be refunded or prior to a designated date or dates before the maturity of the bonds to be refunded, the principal and any redemption premiums due on the refunded bonds at maturity or upon that designated date or dates, and the designated costs of issuance of the refunding bonds.

SEC. 39. Section 53364 of the Government Code, as added by Chapter 1451 of the Statutes of 1982, is repealed.

SEC. 40. Section 53364 is added to the Government Code, to read:

53364. Following the issuance of any refunding bonds pursuant to this article, the treasurer of the local agency shall provide for the payment of principal and interest on the refunding bonds in the same manner as for the bonds being refunded. Payments on the refunding bonds may be made from the "refunding fund" or from the redemption fund established for the bonds being refunded. However, the bonds being refunded shall have a priority claim on funds in the redemption fund.

SEC. 41. Section 53364.2 is added to the Government Code, to read:

53364.2. Any savings achieved through the issuance of refunding bonds shall be used by the legislative body to reduce the special taxes which were levied to retire the bonds being refunded. At the time the legislative body makes a determination to issue the refunding bonds, it shall determine and cause to be made any reductions in the annual tax levy in the district, which reductions shall be made on a pro rata basis.

SEC. 42. Section 53365.7 is added to the Government Code, to read:

53365.7. (a) The legislative body may, by resolution and without the necessity of calling and holding an election, borrow money in anticipation of the sale of bonds which have been authorized pursuant to this article, but which have not been sold and delivered, issue negotiable bond anticipation notes therefor, and renew the notes from time to time. The maximum maturity of any such notes, including the renewals thereof, shall not exceed five years from the date of delivery of the original notes.

(b) The principal and interest on the notes may be paid from any money available for their payment. Any portion of the principal or interest which is due and payable shall be paid from the proceeds of the next sale of bonds in anticipation of which the notes were issued.

(c) The proceeds of notes issued pursuant to this section may be used for any purpose for which the bonds in anticipation of which the notes were issued may be used.

(d) The notes shall not be issued in any amount in excess of the aggregate amount of bonds which the legislative body has been authorized to issue, less the amount of any bonds of such authorized issue which have been previously sold and less the amount of other bond anticipation notes issued previously and outstanding at that time.

(e) The legislative body may, in its resolution authorizing the issuance of notes, provide that the note shall be subject to call and redemption prior to maturity, at the option of the district, at such price or prices as may be fixed in the resolution, but not to exceed a premium of 6 percent of the par value of the note so subject to redemption. The resolution shall fix the method of giving notice of

redemption to the holders of notes to be redeemed and the price or prices at which the note shall be subject to redemption. Any notes that are subject to call and redemption prior to maturity shall contain a recital to that effect on their face and no note shall be subject to call or redemption prior to its fixed maturity date unless it contains that recital.

(f) The notes shall be issued and sold in the same manner as the bonds.

(g) The notes and the resolution or resolutions authorizing the same may contain any provisions, conditions, or limitations which a resolution of the legislative body authorizing the issuance of bonds may contain.

(h) The legislative body shall, in its resolution authorizing the issuance of notes, provide a remedy if the anticipated bonds cannot be sold at the time or in the amount specified in the resolution, or if any default occurs with respect to the notes. Any remedy which is so provided shall limit the obligations of property owners within the community facilities district to the special tax authorized and levied pursuant to this chapter, except that the legislative body may enter into an agreement with any of the property owners within the district pledging some or all of the real property of those property owners who are a party to the agreement as additional security for the notes. The legislative body may authorize the levy of a supplemental special tax in an amount sufficient to secure a note issued pursuant to this section, if that special tax is fully described as to the rate, method of apportionment, and conditions under which it may be levied in the resolution of intention prepared pursuant to Section 53321. This special tax shall be subject to the procedures and voting requirements for any special tax levied under the authority of this chapter.

SEC. 42.5. Any proceedings initiated to create a community facilities district prior to the effective date of this act may be conducted in accordance with this act, as nearly as is practicable, as if this act had been in effect when the proceedings were commenced.

SEC. 43. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act.

SEC. 44. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to clarify and streamline the Mello-Roos Community Facilities Act of 1982 as soon as possible, it is necessary for this act to take effect immediately.

CHAPTER 270

An act to amend Sections 35400.5, 35555, and 36101 of, and to add Sections 267, 4021, and 35100.5 to, the Vehicle Code, relating to vehicles, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 2, 1984. Filed with Secretary of State July 3, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 267 is added to the Vehicle Code, to read:

267. A cotton module mover is a motortruck or a semitrailer which is equipped with a self-loading conveyor bed and which is designed and used exclusively to transport field manufactured cotton modules to a cotton gin.

SEC. 2. Section 4021 is added to the Vehicle Code, to read:

4021. Any vehicle is exempt from registration that is designed or altered for, and used exclusively for, the refueling of aircraft at a public airport, if the vehicle is operated upon a highway under the control of a local authority for a continuous distance not exceeding one-quarter mile each way to and from a bulk fuel storage facility.

SEC. 3. Section 35100.5 is added to the Vehicle Code, to read:

35100.5. The total outside width of a cotton module mover operated on the highways pursuant to Section 35555 and the load thereon shall not exceed 130 inches in width. However, a county board of supervisors, with respect to any or all county highways within its jurisdiction or any portion thereof, may by resolution prohibit or limit the operation of cotton module movers exceeding the maximum width specified in Section 35100.

SEC. 4. Section 35400.5 of the Vehicle Code is amended to read:

35400.5. Subdivision (a) of Section 35400 does not apply to a motortruck used solely as a cotton module mover and which does not exceed 48 feet in length.

SEC. 5. Section 35555 of the Vehicle Code is amended to read:

During the period commencing October 1 of each year and ending January 31 of the following year, the weight limitations of Section 35551 do not apply to any cotton module mover or any truck tractor pulling a semitrailer that is a cotton module mover, when operated as follows:

(a) Laterally across a state highway.

(b) Upon any county highway within the Counties of Fresno, Imperial, Kern, Kings, Madera, Merced, Riverside, San Benito, San Bernardino, and Tulare, except as prohibited or limited on county highways or portions thereof by resolution of the county board of supervisors having jurisdiction.

SEC. 6. Section 36005 of the Vehicle Code is amended to read:

36005. Implement of husbandry includes, but is not limited to:

(a) A lift-carrier or other vehicle designed and used exclusively for the lifting and carrying of implements of husbandry or tools used exclusively for the production or harvesting of agricultural products, when operated or moved upon a highway.

(b) A trailer of the tip-bed type when used exclusively in the transportation of other implements of husbandry or tools used exclusively for the production or harvesting of agricultural products.

(c) A one-axle trailer of the tip-bed type when used exclusively in the transportation of other implements of husbandry or tools used exclusively for the production or harvesting of agricultural products.

(d) A two-wheeled trailer having no bed, and designed and used solely for transporting a hay loader.

(e) A spray or fertilizer applicator rig designed and used exclusively for spraying or fertilizing in the conduct of agricultural operations.

(f) A nurse rig or equipment auxiliary to the use of and designed or modified for the fueling, repairing, or loading of a spray rig or an airplane used for the dusting, spraying, fertilizing, or seeding of crops.

(g) A row duster.

(h) A wagon or van used exclusively for carrying products of farming from one part of a farm to another part thereof, or from one farm to another farm, and used solely for agricultural purposes, including any van used in harvesting alfalfa or cotton, which is only incidentally operated or moved on a highway as a trailer.

(i) A wagon or portable house on wheels used solely by shepherds as a permanent residence in connection with sheepraising operations and moved from one part of a ranch to another part thereof or from one ranch to another ranch, which is only incidentally operated or moved on a highway as a trailer.

(j) A trap wagon moved from one part of a ranch to another part of the same ranch or from one ranch to another, which is only incidentally operated or moved on a highway.

(k) Any vehicle which is operated upon a highway only for the purpose of transporting agricultural products and is in no event operated along a highway for a total distance greater than one mile from the point of origin of the trip.

(*l*) A portable honey-extracting trailer or semitrailer.

(m) A fertilizer nurse tank or trailer that is not self-propelled and which is moved unladen on the highway and auxiliary to the use of a spray or fertilizer applicator rig.

(n) Any cotton trailer when used on the highways for the exclusive purpose of transporting cotton from a farm to a cotton gin, and returning the empty trailer to such farm, except that Section 36125 shall apply to such trailers.

(o) A truck tractor or truck tractor and semitrailer combination specified in this subdivision which is owned by a farmer and operated on the highways, (1) only incidental to a farming operation, (2) not for compensation, and (3) for a distance of not more than two miles

(on the highway) each way. This subdivision applies only to truck tractors with a manufacturer's gross vehicle weight rating over 10,000 pounds that are equipped with all-wheel drive and off-highway traction tires on all wheels, and only to semitrailers used in combination with such a truck tractor and exclusively in production or harvesting of melons or tomatoes. The vehicles specified in this section shall not be operated in excess of 25 miles per hour on the highways.

SEC. 7. Section 36101 of the Vehicle Code is amended to read:

36101. The following farm vehicles are exempt from registration, if they have and display an identification plate as specified in Section 36125, and the vehicles shall not be deemed to be implements of husbandry and they shall be subject to all equipment and device requirements as if registered:

(a) A motor vehicle of a size so as to require a permit under Section 35780 owned and operated by a farmer, designed and used exclusively for carrying or returning empty from carrying feed and seed products of farming, and used on a highway between one part of a farm to another part thereof or from one farm to another farm.

(b) A vehicle equipped with a water tank owned by a farmer and used exclusively to service his or her own implements of husbandry.

(c) A water tank truck which is used exclusively for sprinkling water on dirt roads providing access to agricultural fields and which is only incidentally operated or moved on a highway.

(d) A cotton module mover, as defined in Section 267.

(e) A trailer which is equipped with a plenum chamber for the drying of agricultural commodities.

SEC. 8. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 9. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to enact urgently needed changes before the 1984 harvest season, it is necessary that this act take effect immediately.

CHAPTER 271

An act to amend Section 97.6 of the Revenue and Taxation Code, to amend Sections 130, 131, 134, 222, 225, 226, 239.3, and 308 of, to add Sections 124.5, 134.5, 134.6, 134.7, 134.8, and 134.9 to, and to add Chapter 7 (commencing with Section 296) to Part 5 of, the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969), and to add Sections 8.3, 8.4, and 8.5 to, and to repeal and add Section 8 of, the Riverside County Flood Control and Water Conservation District (Chapter 1122 of the Statutes of 1945), relating to special districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 2, 1984. Filed with Secretary of State July 3, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 97.6 of the Revenue and Taxation Code is amended to read:

97.6. (a) For the 1983–84 and 1984–85 fiscal years, no local agency shall impose a property tax rate pursuant to subdivision (a) of Section 93 for other than bonded indebtedness which is in excess of the rate, if any, imposed in the 1982–83 fiscal year or imposed for the 1983–84 fiscal year pursuant to a budget resolution adopted on or before July 1, 1983, which contemplated the levy of an additional property tax rate for pension system costs, whichever rate is higher, for other than bonded indebtedness. This section shall be deemed to be a maximum tax rate pursuant to Section 20 of Article XIII of the California Constitution.

(b) If a local agency imposes a rate in excess of the maximum rate authorized by subdivision (a), the amount of property tax allocated to the agency pursuant to this chapter shall be reduced by one dollar ($1) for each one dollar ($1) of property tax revenue attributable to the excess rate.

(c) Any property tax revenue which has been subtracted from a local agency's allocation pursuant to subdivision (b) shall be allocated to elementary, high school, and unified school districts within the agency's jurisdiction in proportion to the average daily attendance of each such district.

(d) As used in this section, "bonded indebtedness" means any bond obligation of a local government which was approved by the voters of such jurisdiction prior to July 1, 1978.

(e) This section shall not apply to taxes levied to meet obligations to make payments to either the State of California under contracts for the sale, delivery, or use of water entered into pursuant to the California Water Resources Development Bond Act, which is provided for in Chapter 8 (commencing with Section 12930) of Part 6 of Division 6 of the Water Code, or the United States under

voter-approved contracts for the sale, delivery, or use of water or for repayment of voter-approved obligations for the construction, maintenance, or operation of water conservation, treatment, or distribution facilities.

(f) All metropolitan water districts formed pursuant to the Metropolitan Water District Act (Ch. 209, Stats. 1969), shall submit a report to the Legislature on or before March 31, 1984, detailing its program to reduce the reliance of the district on the property taxes and to assure that the property tax burden is equitably distributed.

(g) This section shall remain in effect only until January 1, 1989, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1989, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1989, pursuant to Section 9611 of the Government Code, Section 97.6 of the Revenue and Taxation Code, as added by Section 3 of Chapter 491 of the Statutes of 1983, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 2. Section 124.5 is added to the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969), to read:

124.5. Subject only to the exception in this section and notwithstanding any other provision of law, commencing with the 1990–91 fiscal year any ad valorem property tax levied by a district on taxable property in the district, other than special taxes levied and collected pursuant to annexation proceedings pursuant to Articles 1 (commencing with Section 350), 2 (commencing with Section 360), 3 (commencing with Section 370), and 6 (commencing with Section 405) of Chapter 1 of Part 7, shall not exceed the composite amount required to pay (1) the principal and interest on general obligation bonded indebtedness of the district and (2) that portion of the district's payment obligation under a water service contract with the state which is reasonably allocable, as determined by the district, to the payment by the state of principal and interest on bonds issued pursuant to the California Water Resources Development Bond Act as of the effective date of this section and used to finance construction of facilities for the benefit of the district. The restrictions contained in this section do not apply if the board of directors of the district, following a hearing held to consider that issue, finds that a tax in excess of these restrictions is essential to the fiscal integrity of the district, and written notice of the hearing is filed with the offices of the Speaker of the Assembly and the President pro Tempore of the Senate at least 10 days prior to that date of the hearing.

SEC. 2.5. Section 130 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969) is amended to read:

Sec. 130. A district may do all of the following:

(a) Acquire water and water rights within or without the state.

(b) Develop, store, and transport water.

(c) Provide, sell, and deliver water at wholesale for municipal and domestic uses and purposes.

(d) Fix the rates for water, and the amount of any water standby or availability service charge or assessment. Any such water standby or availability service charge or assessment shall be deemed to be amounts paid by the member public agency to the district on tax assessments.

(e) Acquire, construct, operate, and maintain any and all works, facilities, improvements, and property necessary or convenient to the exercise of the powers granted by this section.

SEC. 3. Section 131 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969) is amended to read:

Sec. 131. (a) A district may provide, sell, and deliver water and water service to the United States of America or to any board, department or agency thereof or to the State of California for any use or purpose pursuant to contract therefor. The contract may be for permanent service, but shall provide for the furnishing of the water or water service upon terms and conditions and at rates which will apportion an equitable share of the capital cost and operating expense of the district's works to the contractee. Every contract shall provide that at the end of five years from the date of its execution and every three years thereafter there shall be such readjustment of the contract, upon the demand of either party thereto, either upward or downward as to rates, as the board of directors of the district may find to be just and reasonable in order to effectuate the equitable apportionment of the capital costs and operating expense.

(b) A district may provide, sell, and deliver water and water service, by a contract not to exceed 50 years, to any private corporation or public agency, or combination thereof, for use in connection with, or ancillary to, the generation of electric power at plants which are located outside of the district but which generate power the major portion of which is used directly, or indirectly through exchange, within the district, or for pumping, producing, treating, or reclaiming water for use within the district. The contracts shall not aggregate more than 100,000 acre-feet of water from the Colorado River and more than 60,000 acre-feet of water from the State Water Resources Development System in any one year during that period. Every contract shall provide that agricultural waste water, brackish ground water, or other water not suitable for domestic, municipal, or agricultural purposes shall be utilized for powerplant cooling to the extent practicable, and if not immediately available, the waste or brackish water, as it becomes available and to the extent practicable, shall replace the fresh water then being used for that purpose. The water and water service shall be furnished by the district at charges not less than those corporations or agencies would pay in general taxes to the district, the substantial equivalent of what those corporations or agencies would pay, directly or indirectly, as a result of a service charge or assessment imposed by and within the district, and the water rate of the district applicable to the classification of water delivered to those plants if the plants were located within the district, and in the case

of a public agency within the district, if the plants were located within that agency. No contract shall be entered into pursuant to this subdivision to provide, sell, and deliver water and water service for use within the service area of any agency which has a contract with the State of California for a water supply under the State Water Resources Development System without the prior written consent of that agency and the Director of Water Resources of the State of California.

(c) All water contracted for under this section shall be deemed not to be surplus water available for sale pursuant to Section 132. For purposes of this section the term "public agency" shall mean a county, city, district, local agency, public authority or public corporation.

SEC. 4. Section 134 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969) is amended to read:

Sec. 134. The board, so far as practicable, shall fix such rate or rates for water as will result in revenue which, together with revenue from any water standby or availability service charge or assessment, will pay the operating expenses of the district, provide for repairs and maintenance, provide for payment of the purchase price or other charges for property or services or other rights acquired by the district, and provide for the payment of the interest and principal of the bonded debt subject to the applicable provisions of this act authorizing the issuance and retirement of the bonds. Those rates, subject to the provisions of this chapter, shall be uniform for like classes of service throughout the district.

SEC. 5. Section 134.5 is added to the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969), to read:

Sec. 134.5. (a) The board may, from time to time, impose a water standby or availability service charge within a district. The amount of revenue to be raised by the service charge shall be as determined by the board.

(b) Allocation of the service charge among member public agencies shall be in accordance with a method established by ordinance or resolution of the board. Factors that may be considered include, but are not limited to, historical water deliveries by a district; projected water service demands by member public agencies of a district; contracted water service demands by member public agencies of a district; service connection capacity; acreage; property parcels; population, and assessed valuation, or a combination thereof.

(c) The service charge may be collected from the member public agencies of a district. As an alternative, a district may impose a service charge as a standby charge against individual parcels within the district. In implementing this alternative, a district may exercise the powers of a county water district under Section 31031 of the Water Code, except that, notwithstanding Section 31031 of the Water Code, a district may (1) raise the standby charge rate above ten dollars ($10) per year by a majority vote of the board, and (2) after

taking into account the factors specified in subdivision (b), fix different standby charge rates for parcels situated within different member public agencies.

(d) Before imposing or changing any water standby or availability service charge pursuant to this section, a district shall give written notice to each member public agency not less than 45 days prior to final adoption of the imposition or change.

(e) As an alternative to the two methods set forth in subdivision (c), a district, at the option of its board, may convert the charge to a benefit assessment to be levied pursuant to Sections 134.6 to 134.9, inclusive.

SEC. 6. Section 134.6 is added to the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969), to read:

Sec. 134.6. (a) The board may by ordinance or resolution, adopted after notice and public hearing, determine and propose for adoption, subject to the approval of the voters as provided in subdivision (e), an annual water standby or availability assessment on each parcel of real property within the jurisdiction of each member public agency of the district, except that the board shall not impose an assessment upon a federal or state governmental agency or another local agency.

(b) The board may establish zones or areas of benefit within the district or within its member public agencies and may restrict the imposition of the assessments to areas lying within one or more of the zones or areas of benefit established within the district or within its member public agencies.

(c) The benefit assessment shall be levied on a parcel, class of improvement to property, or use of property basis, or a combination thereof, within the boundaries of the district, member public agency, zone, or area of benefit.

(d) The assessment may be levied against any parcel, improvement, or use of property to which water service, through a member public agency, may be made available, directly or indirectly, whether or not that service is actually used.

(e) An ordinance or resolution adopted pursuant to subdivision (a) shall be submitted to the eligible voters within the district and shall take effect upon approval of the proposition by a majority of the voters voting on the proposition. The election shall be held and conducted substantially in accordance with Article 2 (commencing with Section 210) of Chapter 1 of Part 5.

SEC. 7. Section 134.7 is added to the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969), to read:

Sec. 134.7. (a) For the first fiscal year in which a benefit assessment is proposed to be levied pursuant to this act, the board shall cause a written report to be prepared and filed with the executive secretary of the district which shall contain all of the following information:

(1) A description of the service proposed to be financed through the revenue derived from the assessment.

(2) A description of each lot or parcel of property proposed to be subject to the benefit assessment. The assessor's parcel number shall be a sufficient description of the parcel.

(3) The amount of the proposed assessment for each parcel.

(4) The basis and schedule of the assessment.

(b) The executive secretary shall cause notice of the filing of the report and of a time, date, and place of hearing thereon to be published pursuant to Section 6066 of the Government Code and posted in at least one public place within the jurisdiction of each affected member public agency.

(c) At the hearing the board shall hear and consider all protests. At the conclusion of the hearing, the board may adopt, revise, change, reduce, or modify the proposed assessment. The board shall make a determination upon the assessment, as described in the report or as determined at the hearing, and shall, by ordinance or resolution, determine the proposed assessment.

SEC. 8. Section 134.8 is added to the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969), to read:

Sec. 134.8. (a) The board may provide for the collection of the assessment in the same manner, and subject to the same penalties and priority of lien, as other charges and taxes fixed by and collected on behalf of the district, except that if for the first year the assessment is levied the real property on which the assessment is levied has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of county taxes would become delinquent, the confirmed assessment shall not result in a lien against the real property but shall be transferred to the unsecured roll.

(b) If the assessments are collected by the county, the county may deduct its reasonable costs incurred for the service before remittal of the balance to the treasury of the district.

SEC. 9. Section 134.9 is added to the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969), to read:

Sec. 134.9. In levying benefit assessments pursuant to Section 134.6, the board may use any of the provisions of the Benefit Assessment Act of 1982 (Chapter 6.1 (commencing with Section 54701) of Part 1 of Division 2 of Title 5 of the Government Code), the Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code), or the Municipal Improvement Act of 1913 (Division 12 (commencing with Section 10000) of the Streets and Highways Code) as a means for imposing and collecting the assessments.

SEC. 11. Section 222 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969) is amended to read:

Sec. 222. The bonds shall be issued in the denominations as the board may determine, and shall be payable on the day and at the place or places fixed in the bonds and with interest at the rates specified therein, which rates shall not exceed 7 percent per annum

payable at the time or times as the board determines, unless the board determines, by a two-thirds vote of the total vote of the board, that the interests of the district and the public interest or necessity require that the bonds be sold subject to a higher maximum rate in order to obtain needed funds.

SEC. 12. Section 225 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969) is amended to read:

Sec. 225. Unless the board determines by a two-thirds vote of the total vote of the board that the interests of the district and the public interest or necessity require that the provisions of this section and Section 226 be waived, so that the bonds may be sold at private sale upon such terms and conditions as the board may deem necessary, convenient, or desirable, the bonds shall not be sold at a price less than the par value thereof, together with accrued interest to the date of delivery, nor until notice calling for bids therefor shall have been published in a newspaper of general circulation published and circulated in the county in which the principal place of business of the district is located. The notice shall state the time for the receipt of the bids, which shall not be less than 10 days after the publication thereof. The notice may offer the bonds at a fixed interest rate or with the interest rate or rates undetermined, in which event the bids shall contain a statement of the rate or rates of interest at which the bidder will take the bonds and pay par value or more therefor, together with accrued interest.

SEC. 13. Section 226 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969) is amended to read:

Sec. 226. Unless the board has made the determination, as authorized in Section 225, to conduct a private sale, bids for the bonds shall be opened publicly, and the results publicly announced. The bonds shall be sold to the bidder whose bid will result in the lowest net interest cost. If no bids are received or if the board determines that the bids received are not satisfactory as to price or responsibility of the bidders, the board may reject all bids received and either readvertise or sell the bonds at private sale.

SEC. 14. Section 239.3 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969) is amended to read:

Sec. 239.3. (a) The phrase "any public improvement or works of the district" in Section 237 and the phrase "properties, work and facilities of the district" in Section 238 shall be deemed to include, without limitation, works facilities, improvements, and property of the district for the provision, generation, and delivery of hydroelectric power pursuant to Chapter 2.5 (commencing with Section 137) of Part 4.

(b) In addition, the phrase "the payment of funds for any part of the capital costs of any public improvement or works of any public entity or agency" in Section 237 and the phrase "properties, works and facilities of the district" in Section 238 shall be deemed to include, without limitation, works, facilities, improvements, and property of a private corporation to the extent required for the

provision, generation, wheeling, and delivery of hydroelectric power by the district

(c) The acquisition and construction of those works, facilities, improvements, and property for either of the purposes specified in subdivision (a) or (b) shall be deemed to be a purpose for which revenue bonds, whether heretofore or hereafter authorized pursuant to this chapter, may be issued and sold.

SEC. 15. Chapter 7 (commencing with Section 296) is added to Part 5 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969), to read:

CHAPTER 7. SHORT-TERM REVENUE CERTIFICATES

Sec. 296. A district may pursuant to this chapter borrow money and incur indebtedness from time to time for any of the purposes for which it is authorized by law to spend money. The indebtedness shall be evidenced by short-term revenue certificates issued in the manner and subject to the limitations set forth in this chapter. A district may also borrow money and incur indebtedness to pay the principal or interest on certificates issued pursuant to this chapter.

Sec. 297. Certificates issued by a district pursuant to this chapter may be negotiable or nonnegotiable, and all certificates shall be, and shall recite upon their face that they are, payable, both as to principal and interest, out of any revenues of the district which are made security for the certificates pursuant to an indenture or resolution duly adopted by the board of directors. The word "revenues" as used in this chapter shall refer to any revenues derived from the sale of water and power, annexation charges (whether collected through tax levies or otherwise), grants, available tax revenues, or any other legally available funds. In no event shall any such resolution or indenture preclude payment from the proceeds of sale of other certificates issued pursuant to this chapter or from amounts drawn on bank, or other financial institution, lines of credit pursuant to Section 299.1, or from any other lawfully available source of funds.

Sec. 298. In order to exercise the power to borrow money pursuant to this chapter, the board shall adopt a resolution or approve an indenture authorizing the sale and issuance of certificates for that purpose, which resolution or indenture shall specify all of the following:

(a) The purpose or purposes for which the proposed certificates are to be issued.

(b) The maximum principal amount of the certificates which may be outstanding at any one time.

(c) The maximum interest cost, to be determined in the manner specified in the resolution, to be incurred through the issuance of the certificates.

(d) The maximum maturities of the certificates which shall not exceed 270 days from the date of issue.

(e) The obligations to certificate holders while certificates are

outstanding.

Sec. 299. The board may also provide, in its discretion, for any of the following:

(a) The times of the sale and issuance of the certificates, the manner of sale and issuance (either through public or private sale), the amounts of the certificates, the maturities of the certificates, the rate of interest, the rate or discount from par, and any other terms and conditions deemed appropriate by the board or by the general manager of the district or any other officer designated by the board.

(b) The appointment of one or more banks or trust companies, either inside or outside the state, as depository for safekeeping and as agent for the delivery of, and the payment of, the certificates.

(c) The employment of one or more persons or firms to assist the district in the sale of the certificates, whether as sales agents, dealer managers, or in some other comparable capacity.

(d) The refunding of the certificates from time to time without further action by the board, unless and until the board specifically revokes that authority to refund.

(e) Other terms and conditions the board may deem appropriate.

Sec. 299.1. The board may arrange for a bank, or other financial institution, line of credit for (1) the purpose of providing an additional source of repayment for indebtedness incurred under this chapter and any interest thereon or (2) the purpose of borrowing for any purpose for which short-term revenue certificates could be issued under this chapter. Amounts drawn on the lines of credit may be evidenced by negotiable or nonnegotiable promissory notes or other evidences of indebtedness. The board is authorized to use any of the provisions of this chapter in connection with the entering into of the line of credit, borrowing thereunder, or repaying of the borrowings.

SEC. 16. Section 308 of the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969) is amended to read:

Sec. 308. If from any cause the income and revenue of the district shall be inadequate to pay the interest or principal (including sinking fund requirements, if any) of any bonds issued under Chapters 1, 2, and 3 of Part 5, except bonds payable only out of income derived from special taxes levied and collected pursuant to annexation proceedings pursuant to Articles 1, 2, 3, and 6 of Chapter 1 of Part 7, as the same become due, the board shall, at the time of fixing the tax levy, pursuant to Section 307, and in the same manner provided for such tax levy, levy and collect annually until such bonds shall be paid or until there shall be a sum in the treasury of the district set apart for such purposes sufficient to meet all sums coming due for such interest or principal, a tax, in addition to all other taxes levied for district purposes, sufficient to pay the annual interest on such bonds and such part of the principal as shall become due before the time when money will be available from the next general tax levy, or such portion thereof as shall not be met from previous levies or other revenues of the district. Taxes so levied and collected shall be

used for no purpose other than the payment of such interest or principal, except that in case a tax is levied, as above stated, for any authorized but unsold bonds, and such bonds are not so issued and sold or such tax for any other reason is not required for such purpose, the proceeds from the tax so levied shall be applied to the payment of interest or principal, on any bonds authorized by the electors then outstanding or subsequently issued. In addition to the foregoing, taxes shall also be levied to meet the required of any resolution adopted pursuant to Section 287.

SEC. 18. Section 8 of the Riverside County Flood Control and Water Conservation District Act (Chapter 1122 of the Statutes of 1945) is repealed.

SEC. 19. Section 8 is added to the Riverside County Flood Control and Water Conservation District Act (Chapter 1122 of the Statutes of 1945), to read:

Sec. 8. Zone six shall comprise all that territory and area included within the following described boundaries:

Beginning at the northeast corner of Section 3, T2S, R6E, S.B.B. & M.;

Thence south on section lines, 2 miles to the section corner;

Thence east on section lines, 2 miles to the southeast corner of Section 12, T2S, R6E, S.B.B. & M.;

Thence north to the southwest corner of Section 7, T2S, R7E, S.B.B. & M.;

Thence east on section lines, 4 miles to the section corner;

Thence south on section lines, 3 miles to the section corner;

Thence east on section lines, 2 miles to the section corner;

Thence south on section lines, 2 miles to the southwest corner of Section 6, T3S, R8E, S.B.B. & M.;

Thence east on section lines, 2 miles to the section corner;

Thence south on section lines, 2 miles to the section corner;

Thence east on section lines, 3 miles to the section corner;

Thence south on section lines, 2 miles to the southeast corner of Section 26, T3S, R8E, S.B.B. & M.;

Thence west on section lines, 3 miles to the section corner;

Thence south on the section line, 1 mile to the southeast corner of Section 32, T3S, R8E, S.B.B. & M.;

Thence west on section lines, 14 miles to the northwest corner of Section 6, T4S, R6E, S.B.B. & M.;

Thence south on section lines, 1 mile to the section corner;

Thence west on section lines, 2 miles to the section corner;

Thence north on the section line, ½ mile to the northeast corner of the south ½ of Section 3, T4S, R5E, S.B.B. & M.;

Thence west on the north boundary of the south ½ of Section 3, 1 mile to the northwest corner thereof;

Thence north on the section line, ½ mile to the northwest corner of Section 3;

Thence west on the section line, ½ mile to the southeast corner of the southwest ¼ of Section 33, T3S, R5E, S.B.B. & M.;

Thence north ½ mile to the northeast corner of the southwest ¼;

Thence west ½ mile to the northwest corner of the southwest ¼;

Thence north on the section line, ½ mile to the northwest corner of Section 33;

Thence west on the section line, 1 mile to the section corner;

Thence north on the section line, 1 mile to the section corner;

Thence west on section lines, 2 miles to the section corner;

Thence north on the section line, 1 mile to the section corner;

Thence west on section lines, 5 miles to the northwest corner of Section 19, T3S, R4E, S.B.B. & M.;

Thence south on the west line of Section 19 to the intersection of the west line with the centerline of State Highway Route 111;

Thence southeasterly along the centerline of State Highway Route 111, through Sections 19, 30, 29, 32, to the intersection of the centerline with the southwesterly prolongation of the southeasterly line parcel 6070-2B in Section 33 as shown on Record of Survey filed October 8, 1969, in Record of Surveys Book 54 pages 53 to 55, inclusive, records of Riverside County;

Thence northeasterly along the southwesterly prolongation and the southeasterly line of parcel 6070-2B to a point on the west line of Section 34, T3S, R4E, S.B.B. & M.;

Thence north 00° 24′ 15″ east along the west line of Section 34 a distance of 204.88 feet to a point on a line that is parallel with and 5.00 feet southerly from the southerly line of parcel 6070-1A as shown on the Record of Survey;

Thence on the parallel line, north 72° 31′ 48″ east 62.84 feet to the beginning of a tangent curve, concave to the southeast, and having a radius of 9915.00 feet with the radius point being identical to the radius point of curve "B" as shown on the Record of Survey;

Thence easterly along the arc of the curve through a central angle of 17° 21′ 32″ a distance of 3003.95 feet to the end of the curve;

Thence north 89° 53′ 20″ east 2252.93 feet to a point on the east line of Section 34;

Thence north 00° 09′ 40″ east along the east line a distance of 35.00 feet, more or less, to the southwesterly right-of-way line of the Whitewater River Channel as shown by Coachella Valley County Water District drawing 1500-18, dated January 13, 1961;

Thence southerly and southeasterly along the southwesterly right-of-way of the Whitewater River Channel, in Sections 35 and 36, T3S, R4E; Section 1, T4S, R4E; Sections 6, 7, 8, 17, 20, and 28, T4S, R5E, as shown by the Coachella Valley County Water District drawing numbers 1500-18, dated January 13, 1961, 1500-17, dated October 17, 1966, 1500-16, dated December 8, 1959, 1500-15, dated July 23, 1968, the drawings also being on file in map file 800-N in the office of the County Surveyor, to a point on the southwesterly right-of-way line, as shown on drawing 1500-15, that is the end of a 4500.00 foot radius curve from which a radial line bears north 66° 21′ 23″ east;

Thence leaving the right-of-way of the Whitewater River Channel, south 23° 28′ 37″ east 269.00 feet to the beginning of a tangent curve,

concave to the northeast and having a radius of 3176.06 feet;

Thence southeasterly along the arc of the curve through a central angle of 23° 01′ 15″ a distance of 1276.11 feet to the end of the curve and to a point on the southwesterly right-of-way line of the Whitewater River Channel being the end of a 3000.00 foot radius curve with a radial line that bears north 43° 20′ 08″ east as shown on drawing 1500-15;

Thence south 46° 39′ 52″ east along the right-of-way line as shown on drawing 1500-15, a distance of 5435.43 feet to a point on the east line of Section 33, T4S, R5E, S.B.B. & M.;

Thence southerly along the easterly line of Section 33 to a point on the southeasterly right-of-way line of that certain easement granted to the Riverside County Flood Control and Water Conservation District by deed recorded in Book 826, Page 140, of the official records, Records of Riverside County;

Thence southwesterly along the southeasterly line of that easement to a point on the north line of Section 4 T5S, R5E, S.B.B. & M.;

Thence easterly along the north line of that section to the northeast corner of Section 4;

Thence south along section lines, 12 miles to the southwest corner of Section 34, T6S, R5E, S.B.B. & M.;

Thence west along the township line to the northwest corner of Section 3, T7S, R5E, S.B.B. & M.;

Thence south on section lines, 3 miles to the southwest corner of Section 15, T7S, R5E, S.B.B. & M.;

Thence west along section lines, 3 miles, more or less, to the southwest corner of Section 18, T7S, R5E, S.B.B. & M.;

Thence north on section lines, 3 miles to the northeast corner of Section 1, T7S, R4E, S.B.B. & M.;

Thence west on section lines to the southwest corner of Section 31, T6S, R4E, S.B.B. & M.;

Thence north on section lines, 12 miles to the southeast corner of Section 36, T4S, R3E, S.B.B. & M.;

Thence west on section lines, 4 miles to the section corner;

Thence north on section lines, 4 miles to the section corner;

Thence west on section lines, 2 miles to the southwest corner of Section 7, T4S, R3E, S.B.B. & M.;

Thence north on section lines, 14 miles to a point on the northerly boundary of the County of Riverside at the northwest corner of Section 6, T2S, R3E, S.B.B. & M.;

Thence east on the northerly boundary of Riverside County, 22 miles to the point of beginning.

SEC. 20. Section 8.3 is added to the Riverside County Flood Control and Water Conservation District Act (Chapter 1122 of the Statutes of 1945), to read:

Sec. 8.3. The territory annexed to Zone 6 of the district by the repeal and reenactment of Section 8 during the 1984 portion of the 1983–84 Regular Session of the Legislature shall be liable for the

payment of benefit assessments approved by the voters of Zone 6 and levied, or to be levied, pursuant to Chapter 6.1 (commencing with Section 54071) of Part 1 of Division 2 of Title 5 of the Government Code.

SEC. 21. Section 8.4 is added to the Riverside County Flood Control and Water Conservation District Act (Chapter 1122 of the Statutes of 1945), to read:

Sec. 8.4. The annexation of territory to Zone 6 of the district by the repeal and reenactment of Section 8 during the 1984 portion of the 1983–84 Regular Session of the Legislature is conditioned upon the detachment of that territory from the Coachella Valley Water District pursuant to Division 1 (commencing with Section 56000) of Title 6 of the Government Code, with that detachment and annexation being complete and effective on the date of recording by the executive officer of the local agency formation commission of a certified copy of the certificate of completion of the detachment proceedings with the county recorder in accordance with Section 56453 of the Government Code, or on any other date fixed in the terms and conditions of the detachment proceedings in accordance with Section 56456 of the Government Code.

SEC. 22. Section 8.5 is added to the Riverside County Flood Control and Water Conservation District Act (Chapter 1122 of the Statutes of 1945), to read:

Sec. 8.5. The territory annexed to Zone 6 of the district by the repeal and reenactment of Section 8 during the 1984 portion of the 1983–84 Regular Session of the Legislature is subject to jurisdictional rights, duties, limitations, and liabilities as prescribed pursuant to Chapter 9 (commencing with Section 56470) of Part 5 of Division 1 of Title 6 of the Government Code.

SEC. 23. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

SEC. 24. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The amendment to Section 97.6 of the Revenue and Taxation Code made by Chapter 1324 of the Statutes of 1983 contained a restriction on the tax rate that may be levied by a metropolitan water district during the 1984–85 and 1985–86 fiscal years, while at the same time relieving other local agencies which must meet obligations to make payments to the state or federal government pursuant to specified contracts from any such tax rate limitations. The effect of the limitation on a metropolitan water district which has such a contract under the California Water Resources Development Bond Act may be to impair the state's bonding ability and, at the same time, cause

the district to increase its wholesale water rates inordinately to the detriment of the ultimate consumer. In order to overcome these effects as soon as possible to facilitate local agency planning, it is necessary that this act take effect immediately.

CHAPTER 272

An act to amend Section 11463 of, and to add and repeal Section 11462.3 of, the Welfare and Institutions Code, relating to facilities, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 2, 1984 Filed with Secretary of State July 3, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 11462.3 is added to the Welfare and Institutions Code, to read:

11462.3. Notwithstanding subdivision (d) of Section 11462, nonprofit organizations which did not participate in the Federal Insurance Contributions Act prior to January 1, 1984, shall receive an increase in 1983–84 fiscal year payments to reflect the cost of the employer contributions required by Section 102 of the Social Security Amendments of 1983 (Public Law 98-21). The amount of the increase shall be calculated by using 1983 salaries as the base. The department shall determine the amount of the rate supplement in conjunction with the 1984–85 fiscal year ratesetting process and shall notify counties to retroactively adjust the 1983-84 fiscal year payments in a form and manner determined by the department.

This section shall remain in effect until January 1, 1991, and as of that date is repealed, unless a later enacted statute deletes or extends that date.

SEC. 2. Section 11463 of the Welfare and Institutions Code is amended to read:

11463. The department, with the advice, assistance, and cooperation of the counties and foster care providers, shall develop and implement a ratesetting system for homefinding agencies to be effective no later than July 1, 1985.

No county shall be reimbursed for any percentage increases in payments, made on behalf of AFDC-FC funded children who are placed with homefinding agencies, which exceed the percentage cost-of-living increase provided in any fiscal year beginning on or after July 1, 1982, to persons eligible for aid under subdivision (a) of Section 11450.

SEC. 3. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is

recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Group homes in California have unexpectedly been required by the federal government to participate in the Social Security Program. Because this cost is not currently a state-reimbursed operational expense, many group homes are threatened by closure. In order to prevent this, it is necessary that this act take effect immediately.

CHAPTER 273

An act to amend Section 23789 of, and to repeal and add Section 24310 of, the Business and Professions Code, relating to alcoholic beverages, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 2, 1984 Filed with Secretary of State July 3, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 23789 of the Business and Professions Code is amended to read:

23789. The department is specifically authorized to refuse the issuance, other than renewal or ownership transfer, of on-sale retail licenses for premises located within the immediate vicinity of churches and hospitals.

The department is further specifically authorized to refuse the issuance, other than renewal or ownership transfer, of on-sale retail licenses for premises located within at least 600 feet of schools and public playgrounds or nonprofit youth facilities, including, but not limited to, facilities serving girl scouts, boy scouts, or campfire girls. This distance shall be measured pursuant to rules of the department.

SEC. 2. Section 24310 of the Business and Professions Code is repealed.

SEC. 3. Section 24310 is added to the Business and Professions Code, to read:

24310. (a) Any person requesting a transcript from the department in a case on appeal to the Alcoholic Beverage Control Appeals Board, shall pay the transcript cost specified in Section 69950 of the Government Code. Any actual cost in excess thereof shall be paid by the Appeals Board from the Alcoholic Beverage Control

Appeals Fund.

(b) A party in a case on appeal to the Appeals Board who, in 1983 or 1984, has paid that portion of the transcript fee in excess of the fee specified in Section 69950 of the Government Code shall be refunded that excess by payment from the Alcoholic Beverage Control Appeals Fund, providing the Appeals Board has not issued a dismissal or other final decision in the case on appeal.

SEC. 4. If any provision of this act or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

SEC. 5. For the purpose of Section 24310 of the Business and Professions Code, as added by Section 3 of this act, the sum of thirty-five thousand dollars ($35,000) is hereby appropriated from the Alcoholic Beverage Control Appeals Fund to the Alcoholic Beverage Control Appeals Board in augmentation of Item 2120-001-117 of the 1983 Budget Act (Chapter 324, Statutes of 1983), and the sum of forty-nine thousand three hundred dollars ($49,300) is hereby appropriated from the Alcoholic Beverage Control Appeals Fund to the Alcoholic Beverage Control Appeals Board in augmentation of Item 2120-001-117 of the 1984 Budget Act.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Since the Legislature has declared in Section 23001 of the Business and Professions Code that the subject matter of the Alcoholic Beverage Control Act involves, in the highest degree, the economic, social, and moral well-being and the safety of the state and all of its people, it is necessary that the appeals process involved in cases brought under the act be expeditious and, in order for the provisions of this act to become operative during the 1983–84 fiscal year, it is therefore necessary that this act take effect immediately.

CHAPTER 274

An act to to amend Sections 32033, 72247, 72252, 72640, 82305.6, 84700, 84701, 84704, 84705, and 84706 of, to amend and repeal Section 84362 of, and to repeal and add Section 82305.5 of, the Education Code, and to amend Sections 19 and 21 of Chapter 1 of the 1983–84 Second Extraordinary Session, relating to community colleges, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 2, 1984 Filed with
Secretary of State July 3, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 32033 of the Education Code, as amended by Chapter 1 of the 1983–84 Second Extraordinary Session, is amended to read:

32033. The eye protective devices may be sold to the pupils and teachers at a price which shall not exceed the actual cost of the eye protective devices to the school or governing board.

This section shall not apply to the governing board of a community college district; however, this section shall not be construed as prohibiting the governing board of a community college district from offering eye protective devices for sale to students and employees who voluntarily choose to purchase those devices from the district.

This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1988, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1988, pursuant to Section 9611 of the Government Code, Section 32033 of the Education Code, as added by Section 2 of Chapter 1010 of the Statutes of 1976, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 2. Section 72247 of the Education Code, as amended by Chapter 55 of the Statutes of 1984, is amended to read:

72247. (a) The governing board of a community college district may require of students in attendance in grades 13 and 14 and employees of the district, the payment of a fee, in an amount not to exceed twenty dollars ($20) per semester or forty dollars ($40) per regular school year to be fixed by the board, for parking services.

The fee shall only be required of students and employees using parking services.

(b) The governing board of a community college district may also require the payment of a fee, to be fixed by the governing board, for the use of parking services by persons other than students and employees.

(c) All parking fees collected shall be deposited in the designated fund of the district in accordance with the California Community Colleges Budget and Accounting Manual and shall be expended only for parking services or for purposes of reducing the costs to students and employees of the college of using public transportation to and from the college.

Fees collected for use of parking services provided for by investment of student body funds under the authority of Section 76064 shall be deposited in a designated fund in accordance with the California Community Colleges Budget and Accounting Manual for repayment to the student organization.

"Parking services," as used in this section, means the purchase, construction, and operation and maintenance of parking facilities for vehicles and motor vehicles as defined by Sections 415 and 670 of the Vehicle Code, and the reduction of costs to students and employees of using public transportation to and from the college.

In no event may the fee required pursuant to this section exceed the actual cost of providing parking services.

SEC. 3. Section 72252 of the Education Code, as added by Chapter 1 of the 1983–84 Second Extraordinary Session, is amended to read:

72252. (a) Commencing with the semester, term, or quarter which begins after July 31, 1984, the governing board of each community college district shall charge each student a fee, pursuant to the provisions of this section.

(b) The fee prescribed by this section shall equal fifty dollars ($50) per semester for students enrolled in classes totaling six or more credit semester units, and five dollars ($5) per unit per semester for students enrolled in classes totaling less than six credit semester units.

The chancellor shall proportionately adjust the amount of the fee for term lengths based upon a quarter system or other alternative system approved pursuant to Section 78002, and shall also proportionately adjust the amount of the fee for summer sessions, intersessions, and other short-term courses. In making these adjustments, the chancellor may round the per unit fee and the per term or per session fee to the nearest dollar.

(c) For the purposes of computing apportionments to community college districts, 98 percent of the revenues received by districts from charging a fee pursuant to this section or from fees defrayed pursuant to subdivision (f) shall be deemed to be local property tax revenue within the meaning of subdivision (b) of Section 84700.

(d) The chancellor shall reduce apportionments by up to 10 percent to any district which does not collect the fees prescribed by this section.

(e) The fee requirement shall not apply to students enrolled in the noncredit courses designated by Section 84711.

(f) The fee requirements of this section shall be defrayed pursuant to Section 19 of Chapter 1 of the 1983–84 Second Extraordinary Session for any student who, at the time of enrollment, is a recipient of benefits under the Aid to Families with Dependent Children program, the Supplemental Security Income/State Supplementary program, or the General Assistance Program.

(g) The requirements of Section 69534 shall apply to financial aid applicants enrolling in six or more credit semester units, but shall not apply to financial aid applicants who seek aid only for the fees required by this section and who enroll for less than six credit semester units. The chancellor shall prescribe a financial aid application for students enrolling in less than six credit semester units.

(h) The board of governors shall adopt regulations implementing the provisions of this section as regulations in accordance with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(i) This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1988, deletes or extends that date.

SEC. 4. Section 72640 of the Education Code, as amended by Chapter 1 of the 1983–84 Second Extraordinary Session, is amended to read:

72640. The governing board of a community college district may:

(a) Conduct field trips or excursions in connection with courses of instruction or school-related social, educational, cultural, athletic, or college band activities to and from places in the state, any other state, the District of Columbia, or a foreign country for students enrolled in a college. A field trip or excursion to and from a foreign country may be permitted to familiarize students with the language, history, geography, natural sciences, and other studies relative to the district's course of study for such pupils.

(b) Engage such instructors, supervisors, and other personnel as desire to contribute their services over and above the normal period for which they are employed by the district, if necessary, and provide equipment and supplies for such field trip or excursion.

(c) Transport by use of district equipment, contract to provide transportation, or arrange transportation by the use of other equipment, of students, instructors, supervisors or other personnel to and from places in the state, any other state, the District of Columbia, or a foreign country where such excursions and field trips are being conducted; provided that, when district equipment is used, the governing board shall secure liability insurance, and if travel is to and from a foreign country, such liability insurance shall be secured from a carrier licensed to transact insurance business in such foreign country.

(d) Provide supervision of students involved in field trips or excursions by certificated employees of the district.

No student shall be required to pay a fee to participate in an instructionally related field trip or excursion within the state.

No student shall be prevented from making the field trip or excursion because of lack of sufficient funds. To this end, the governing board shall coordinate efforts of community service groups to supply funds for students in need of them.

No group shall be authorized to take a field trip or excursion authorized by this section if any student who is a member of such an identifiable group will be excluded from participation in the field trip or excursion because of lack of sufficient funds.

No expenses of students participating in a field trip or excursion to any other state, the District of Columbia, or a foreign country authorized by this section shall be paid with district funds. Expenses of instructors, chaperons, and other personnel participating in a field

trip or excursion authorized by this section may be paid from district funds, and the district may pay from district funds all incidental expenses for the use of district equipment during a field trip or excursion authorized by this section.

The attendance or participation of a student in a field trip or excursion authorized by this section shall be considered attendance for the purpose of crediting attendance for apportionments from the State School Fund in the fiscal year. Credited attendance resulting from such field trip or excursion shall be limited to the amount of attendance which would have accrued had the students not been engaged in the field trip or excursion. No more contact hours shall be generated by a field trip or excursion than if the class were held on campus.

All persons making the field trip or excursion shall be deemed to have waived all claims against the district or the State of California for injury, accident, illness, or death occurring during or by reason of the field trip or excursion. All adults taking out-of-state field trips or excursions and all parents or guardians of students taking out-of-state field trips or excursions shall sign a statement waiving such claims.

(e) Nothing in this section shall be construed to require the governing board of a community college district to pay the costs of meals, lodging, and other incidental expenses for students participating in field trips and excursions. The costs of meals and lodging are incidental in nature and shall not be applied in determining the funds necessary for a student to participate in a field trip or excursion.

(f) This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1988, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1988, pursuant to Section 9611 of the Government Code, Section 72640 of the Education Code, as amended by Section 76 of Chapter 797 of the Statutes of 1979, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 5. Section 82305.5 of the Education Code is repealed.

SEC. 6. Section 82305.5 is added to the Education Code, to read:

82305.5. The governing board of a community college district may contract for the transportation of matriculated or enrolled adults, or provide transportation to adults in district-owned equipment for educational purposes other than to and from school.

Any district which contracts to provide or provides transportation to adults pursuant to this section may charge adults all or part of the costs of contracting for or providing those transportation services.

This section shall become operative January 1, 1988.

SEC. 7. Section 82305.6 of the Education Code, as added by Chapter 1 of the 1983–84 Second Extraordinary Session, is amended to read:

82305.6. When the governing board of a community college

district provides for the transportation of students to and from community colleges, the governing board of the district may require the parents and guardians of all or some of the students transported, to pay a portion of the cost of such transportation in an amount determined by the governing board. The amount determined by the board shall be no greater than that paid for transportation on a common carrier or municipally owned transit system by other students in the district who do not use the transportation provided by the district. The governing board shall exempt from the charges students of parents and guardians who are indigent as set forth in rules and regulations adopted by the board. No charge under this section shall be made for the transportation of handicapped students. Nothing in this section shall be construed to sanction, perpetuate, or promote the racial or ethnic segregation of students in the community colleges.

SEC. 8. Section 84362 of the Education Code is amended to read:

84362. For purposes of this section:

(a) "Salaries of classroom instructors" and "instructors" shall have the same meaning as prescribed by Section 84031. However, the cost of all health and welfare benefits provided to the instructors by the community college district shall be included within the meaning of salaries of classroom instructors.

(b) "Current expense of education" means the gross total expended (not reduced by estimated income or estimated federal and state apportionments) for the purposes classified in the final budget of a district (except one which, during the preceding fiscal year, had less than 101 units of average daily attendance) for certificated salaries other than certificated salaries for student transportation, food services, and community services; classified salaries other than classified salaries for student transportation, food services, and community services; employee benefits other than employee benefits for student transportation personnel, food services personnel, and community services personnel; books, supplies, and equipment replacement other than for student transportation and food services; and community services, contracted services, and other operating expenses other than for student transportation, food services, and community services. "Current expense of education," for purposes of this section, shall not include those expenditures classified as sites, buildings, books, and media and new equipment (object of expenditure 6000 of the Accounting Manual for California Community Colleges), the amount expended from categorical aid received from the federal or state government which funds were granted for expenditures in a program not incurring any instructor salary expenditures or requiring disbursement of the funds without regard to the requirements of this section, or expenditures for facility acquisition and construction; and shall not include the amount expended pursuant to any lease agreement for plant and equipment or the amount expended from funds received from the federal government

pursuant to the "Economic Opportunity Act of 1964" or any extension of such act of Congress or the amount expended by a community college from state or federal funds received by the community college for grants to community college students or for the employment of community college students. Districts which levied a health services fee in the 1983–84 fiscal year and are subject to Section 72246.5 shall not include health services expenditures in calculating the current expense of education.

There shall be expended during each fiscal year for payment of salaries of classroom instructors by a community college district, 50 percent of the district's current expense of education.

If the board of governors determines that a district has not expended the applicable percentage of current expense of education for the payment of salaries of classroom instructors during the preceding fiscal year, the board shall, in apportionments made to the district from the State School Fund after April 15 of the current fiscal year, designate an amount of such apportionment or apportionments equal to the apparent deficiency in district expenditures. Any amount so designated by the board of governors shall be deposited in the county treasury to the credit of the community college district, but shall be unavailable for expenditure by the district pending the determination to be made by the board of governors on any application for exemption which may be submitted to the board of governors. In the event it appears to the governing board of a community college district that the application of the preceding paragraphs of this section during a fiscal year results in serious hardship to the district, or in the payment of salaries of classroom instructors in excess of the salaries of classroom instructors paid by other districts of comparable type and functioning under comparable conditions, the governing board may, with the written approval of the county superintendent of schools having jurisdiction over the district, apply to the board of governors in writing not later than September 15th of the immediately succeeding fiscal year for exemption from the requirements of the preceding paragraphs of this section.

Immediately upon applying for such exemption, the governing board shall provide the exclusive representative of the district's certificated employees or, if none exists, the district or college academic senate, and all certificated employee organizations eligible for payroll dues deduction, with a copy of such application. The exclusive representative, or the district or college academic senate, and all certificated employee organizations eligible for payroll dues deduction, within 30 days of its receipt of such application, may transmit to the board of governors a written statement opposing such application, setting forth reasons for its opposition.

Upon receipt of such application, duly approved, and of such statement of opposition, if any, the board of governors shall grant the district exemption for any amount that is less than one thousand dollars ($1,000). If the amount is one thousand dollars ($1,000) or

more, the board of governors may grant the district exemption from such requirement for the fiscal year for which the application is made if a majority of all the members of the board of governors finds, in writing, that the district will in fact suffer serious hardship or will have to pay salaries of classroom instructors in excess of those paid by other districts of comparable type and functioning under comparable conditions unless the district is granted an exemption. If such exemption is granted, the designated moneys shall be immediately available for expenditure by the community college district governing board. If no application for exemption is made or exemption is denied, the board of governors shall order the designated amount or amount not exempted to be added to the amounts to be expended for salaries of classroom instructors during the next fiscal year.

The board of governors shall enforce the requirements prescribed by this section, and may adopt necessary rules and regulations to that end. It may require the submission during the school year, by community college district governing boards and county superintendents of schools, of such reports and information as may be necessary to carry out the provisions of this section.

(c) This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1988, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1988, pursuant to Section 9611 of the Government Code, Section 84362 of the Education Code, as amended by Section 296 of Chapter 470 of the Statutes of 1981, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 9. Section 84700 of the Education Code, as amended by Chapter 1 of the 1983–84 Second Extraordinary Session, is amended to read:

84700. For the 1983–84 fiscal year, and each fiscal year thereafter, the chancellor shall apportion state aid to community college districts according to the following procedure:

(a) The fiscal year revenues for each community college district shall be the noncredit base revenues as defined in subdivision (d) of Section 84701, plus the credit base revenues as defined in subdivision (e) of Section 84701, plus the average daily attendance adjustments based on incremental cost adjustments prescribed in Sections 84702 and 84702.5, plus the equalization adjustment specified in Section 84703, plus the inflation adjustment specified in Section 84704, plus the equalization adjustment specified in Section 84705.

(b) For each community college district, the chancellor shall subtract from the revenues determined pursuant to subdivision (a), the local property tax revenue specified by law for general operating support, exclusive of bond interest and redemption and including 98 percent of the fee revenues collected pursuant to Section 72252 and of moneys received for fees defrayed pursuant to subdivision (f) of Section 72252, and motor vehicle license fees received pursuant to

Section 11003 4 of the Revenue and Taxation Code, and timber yield tax revenue received pursuant to Section 38905 of the Revenue and Taxation Code. The remainder shall be the state general apportionment for each district.

(c) The chancellor shall adjust the amount determined pursuant to subdivision (b) to provide for prior year adjustments required pursuant to Section 84330.

(d) The chancellor may, upon the demonstrated need of any community college district for increased levels of allocations of state funds in any month based on district expenditure patterns and cash flow needs, adjust the allocations provided in subdivision (e), provided that the total of the allocations to be made between July 1 and February 1 shall not exceed 70 percent.

(e) Warrants shall be drawn on the State Treasury by the Controller in favor of the treasurer of each county for the allocations certified by the Chancellor of the California Community Colleges for the period of July through January in accordance with the following schedule, as may be adjusted by the chancellor in accordance with provisions of subdivision (d):

(1) Eight percent of district eligibility shall be allocated in July.

(2) Eight percent of district eligibility shall be allocated in August.

(3) Twelve percent of district eligibility shall be allocated in September.

(4) Ten percent of district eligibility shall be allocated in October.

(5) Nine percent of district eligibility shall be allocated in November.

(6) Five percent of district eligibility shall be allocated in December.

(7) Eight percent of district eligibility shall be allocated in January.

SEC. 10. Section 84701 of the Education Code, as amended by Chapter 1 of the 1983–84 Second Extraordinary Session, is amended to read:

84701. (a) The base 1983–84 fiscal year revenues for each community college district shall be the revenue computed for the 1982–83 fiscal year pursuant to Article 3 (commencing with Section 84620) less the adjustments made pursuant to paragraphs (1), (2), and (3) of subdivision (b) of Section 84630.5 and the adjustments made pursuant to Provisions 4 and 11 of Item 6870-101-001 of the Budget Act of 1982.

(b) For the 1984–85 fiscal year the base revenues for each community college district shall be the sum of revenues computed for the 1983–84 fiscal year pursuant to subdivision (a) of Section 84701, and Sections 84703, 84704, and 84705. For the 1985–86 fiscal year and each fiscal year thereafter, the base revenues for each community college district shall be the revenues received for the preceding fiscal year in accordance with Section 84700, plus any unfunded shortage in local revenues identified pursuant to the provisions of Section 84712.

(c) The base fiscal year average daily attendance for each community college district shall be the average daily attendance of the preceding fiscal year computed pursuant to Section 84500 as adjusted by Section 84895, if applicable, which, pursuant to the Budget Act or any other act, received full funding, less the adjustment for declining average daily attendance pursuant to Section 84702 in the preceding fiscal year.

(d) The noncredit base revenues for each community college district shall be equal to the units of funded noncredit average daily attendance within the base fiscal year average daily attendance determined pursuant to subdivision (c), multiplied by one thousand one hundred dollars ($1,100) plus applicable inflation adjustments for preceding years subsequent to the 1982–83 fiscal year.

(e) The credit base revenues for each community college district shall be equal to the district's base revenues determined pursuant to subdivision (a) or (b) as appropriate, less the district's noncredit base revenue determined pursuant to subdivision (d), and less the adjustments for declining average daily attendance pursuant to Sections 84702, 84702.5, and 84704 in the preceding fiscal year.

(f) (1) Funded noncredit average daily attendance for a community college district, for a fiscal year, shall be the lesser of the actual number of noncredit average daily attendance generated for that year or the sum of the noncredit average daily attendance funded for the preceding fiscal year plus allowable increases in noncredit average daily attendance based on the percentage of increase allowance provided for the district through provisions of Section 84706.

(2) However, if the actual number of credit average daily attendance for the district is less than the sum of the number of credit average daily attendance funded for the preceding fiscal year plus allowable increases in credit average daily attendance based on the percentage of increase allowance provided in Section 84706, then the difference, represented in numbers of average daily attendance, shall be added to the number of funded noncredit average daily attendance determined pursuant to paragraph (1).

The number of funded noncredit average daily attendance so increased shall be greater than the sum of the number of noncredit average daily attendance funded for the preceding fiscal year plus allowable increases in noncredit average daily attendance based on the percentage of increase allowance provided for the district through provisions of Section 84706 but not greater than the actual number of noncredit average daily attendance generated.

(g) In establishing a district's funded credit and noncredit base average daily attendance for the 1983–84 fiscal year, the chancellor shall do both of the following:

(1) Calculate the ratios of total actual credit and noncredit average daily attendance generated to total actual average daily attendance generated in the 1982–83 fiscal year for the district.

(2) Apply the ratios calculated pursuant to paragraph (1) to the

district's total average daily attendance for which the district received funding in the 1982–83 fiscal year.

(h) For fiscal year 1983–84, upon request of any district with credit and noncredit average daily attendance and which in the 1982–83 fiscal year generated a total average daily attendance exceeding 110 percent of its total funded average daily attendance, the chancellor may authorize an increase in the total base funded average daily attendance of the district by an amount not to exceed 5 percent of the district's 1982–83 fiscal year funded average daily attendance. The authorized adjustment shall be further limited by an amount of average daily attendance not greater than that average daily attendance for the district that exceeded 110 percent of the district's funded average daily attendance.

(i) For purposes of determining each district's prior fiscal year revenues per unit of credit average daily attendance, each district's credit base revenues determined pursuant to subdivision (e) shall be divided by the credit base average daily attendance portion of the base fiscal year average daily attendance determined pursuant to subdivision (c).

(j) For purposes of this article, a district's funded average daily attendance for any fiscal year is equal to the district's base average daily attendance determined pursuant to subdivision (c) plus any fully funded increases in average daily attendance actually generated in that fiscal year subject to the provisions of Section 84706.

SEC. 11. *Section 84704 of the Education Code is amended to read:*

84704. (a) The base revenues for each community college district shall be adjusted by the product of the following:

(1) The ratio of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce, for the fourth calendar quarter of the latest available year to the fourth calendar quarter of the prior year rounded to hundredths.

(2) The noncredit base revenue per unit of noncredit average daily attendance computed pursuant to Section 84701.

(3) The district's funded noncredit average daily attendance for the current fiscal year.

(b) For districts reporting 3,001 or more units of credit average daily attendance for the prior fiscal year, the base revenues shall be adjusted by the product of the following:

(1) The ratio of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce, for the fourth calendar quarter of the latest available year to the fourth calendar quarter of the prior year rounded to hundredths.

(2) The average revenue per unit of credit average daily attendance for all districts reporting 3,001 or more units of credit average daily attendance for the prior fiscal year or the district's revenue per unit of credit average daily attendance for the prior

fiscal year, whichever is greater.

(3) The district's current year funded credit average daily attendance.

(c) For districts reporting less than 3,001 units of credit average daily attendance for the prior fiscal year, the base revenues shall be adjusted by the product of the following:

(1) The ratio of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce, for the fourth calendar quarter of the latest available year to the fourth calendar quarter of the prior year rounded to hundredths.

(2) The average revenue per unit of credit average daily attendance for all districts which received state general apportionment funds in the prior fiscal year pursuant to provisions of Section 84620 or 84700, and reporting less than 3,001 units of credit average daily attendance for the prior fiscal year as adjusted pursuant to subdivision (d) or the revenue per unit of credit average daily attendance for the district for the prior fiscal year, whichever is greater.

(3) The district's current fiscal year funded credit average daily attendance.

(d) The small district factor shall be equal to the formula:

$$\frac{a + bx + cx^2}{d}$$

(1) The value of "a" is 3,481.923 less the difference between 2,051.9775 and the prior year statewide average revenue per unit of credit average daily attendance for districts reporting more than 3,001 units of credit average daily attendance.

(2) The value of "b" is −0.783406.

(3) The value of "c" is 0.0001022525.

(4) The value of "d" is the prior year statewide average revenue per unit of credit average daily attendance for districts reporting less than 3,001 units of credit average daily attendance.

(5) The value of "x" is the district's base credit average daily attendance.

(e) For the 1983–84 fiscal year only, a factor of 0.06 shall be used in subdivisions (a), (b), and (c) in lieu of the percentage change in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services.

(f) Adjustments made pursuant to this section in any fiscal year shall be made only if, and to the extent that, the chancellor determines that sufficient funds are appropriated to the community colleges for inflation adjustments, and equalization adjustments pursuant to Section 84705, to be made in that fiscal year.

SEC. 12. Section 84705 of the Education Code is amended to

read:

84705. The base revenues for low revenue community college districts shall be adjusted for equalization as follows:

(1) Compute an amount equal to 10 percent of the statewide total adjustment computed for credit average daily attendance in Section 84704. For the 1983–84 fiscal year only, the amount calculated pursuant to this paragraph shall be reduced by an amount equal to the sum of the differences between 90 percent and 91 percent of the prior year average revenues per unit of credit average daily attendance pursuant to Section 84703 for districts reporting fewer than 3,001 units of credit average daily attendance and for districts reporting 3,001 or more units of credit average daily attendance.

(2) The amount computed in paragraph (1) shall be allocated to raise the revenue per unit of credit average daily attendance of low revenue community college districts to the highest common level possible in relation to the amounts specified in subparagraph (A) or (B).

(A) For districts reporting 3,001 or more units of credit average daily attendance in the prior fiscal year, the prior fiscal year statewide average revenue per unit of credit average daily attendance.

(B) For districts reporting fewer than 3,001 units of credit average daily attendance, the prior fiscal year statewide average revenue per unit of credit average daily attendance, adjusted by the small district factor specified in subdivision (d) of Section 84704.

SEC. 13. Section 84706 of the Education Code is amended to read:

84706. (a) For the purpose of this article, average daily attendance shall include only the attendance of state residents, except as provided in Section 78462, attending within the district. All attendance of all students shall be reported in accordance with instructions provided by the chancellor.

(b) Community college districts shall be allowed to increase their funded average daily attendance over the prior year as determined by the chancellor in accordance with the following procedures:

(1) For the 1983–84 fiscal year, districts may be allowed to increase their funded average daily attendance to the level funded in the 1981–82 fiscal year less the adjustments made pursuant to Provision 11 of Item 6870-101-001 of the Budget Act of 1982. Increases for each district provided by this paragraph shall be in addition to the increases provided by paragraphs (2) and (4) and shall be allowed only to the extent that increases in statewide average daily attendance provided by this section, exclusive of paragraph (4), does not exceed the rate of change of the adult population of the state as determined by the Department of Finance, or funds remain available statewide pursuant to

paragraph (3).

(2) Increases in statewide average daily attendance shall be based on the rate of change of the adult population of the state as determined by the Department of Finance. The allocation of changes on a district-by-district basis shall be determined by the chancellor, based on such factors as the rate of change in the adult population, as determined by the Department of Finance, unemployment, refugee population, and adult participation in the district. The chancellor shall allocate at least 0.01 times the base average daily attendance of the district or 100 units of average daily attendance, whichever is greater, unless adjusted pursuant to paragraph (5) of this subdivision.

The statewide adult population percentage change reported by the Department of Finance shall be based on the resident adult population 18 years of age and older and shall be consistent with actual and projected adult population data reported for like purposes. The percentage change of the adult population of the community college districts shall be compatible with the changes reported for the statewide adult population and shall be determined within the geographic boundaries of the district which shall be consistent with the geographic boundaries used to determine the assessed valuation of property within the district.

The allocation of allowable increases in average daily attendance on a district-by-district basis shall not exceed a reasonable anticipated normal growth for any district, based on information that the chancellor may receive from the district.

(3) The level of funding available for increases in average daily attendance for each district, based on increases specified in paragraph (2), shall be the sum of the following:

(A) The percentage of allowable increase in average daily attendance specified in paragraph (2) times the level of base noncredit average daily attendance of the current fiscal year times the incremental cost rate specified in subdivision (a) of Section 84702.5.

(B) The percentage of allowable increase in average daily attendance specified in paragraph (2) times the level of base credit average daily attendance of the current fiscal year times the incremental cost rate specified in subdivision (b) of Section 84702.5.

(4) The chancellor shall allocate additional increases in average daily attendance for program growth in areas of statewide concern that are funded in the annual Budget Act or any other act of the Legislature, based on criteria adopted for those allocations.

(5) In the event of a deficit in funding for workload increases, all allowable increases in average daily attendance provided by this section shall be reduced proportionally.

(c) All increases in funded credited average daily attendance shall be accounted for in the following categories of the course classification system of the community colleges, as determined by

the chancellor:

(1) Units of average daily attendance in courses that provide transfer credit to a baccalaureate-awarding institution.

(2) Units of average daily attendance in occupational education and vocational and technical programs and courses.

(3) Units of average daily attendance which prepare students for courses identified in paragraphs (1) and (2).

SEC. 14. Section 19 of Chapter 1 of the 1983–84 Second Extraordinary Session is amended to read:

Sec. 19. (a) There is hereby appropriated the following sums to the Board of Governors of the California Community Colleges for the purpose of providing financial aid funds directly to low-income students who cannot afford to pay the fee specified in Section 72252 of the Education Code, and for the purpose of defraying fees pursuant to subdivision (f) of Section 72252:

Period	Amount
July 1, 1984 to June 30, 1985	$15,000,000
July 1, 1985 to June 30, 1986	15,000,000
July 1, 1986 to June 30, 1987	15,000,000
July 1, 1987 to January 1, 1988	7,500,000

(b) The chancellor shall allocate the funds appropriated by subdivision (a) to community college districts. In prescribing the manner of allocation, the chancellor shall endeavor to ensure that students with similar characteristics shall be treated similarly with respect to the provision of financial aid pursuant to this section, regardless of the community college they attend.

In allocating funds pursuant to this section, the chancellor shall consider the number of financial aid recipients in each district and the availability of federal and other state financial aid resources.

(c) Financial aid shall be provided pursuant to this section only to those students required to pay the fee specified in Section 72252 of the Education Code, and only in an amount equal to the fee actually charged the student pursuant to that section. In addition, the chancellor shall pay districts the amount of fees defrayed pursuant to subdivision (f) of Section 72252.

(d) Districts which receive an allocation of funds pursuant to this section shall utilize appropriate financial need criteria for the distribution of the funds. These criteria may include, but are not limited to, nationally accepted needs analysis methodologies, evidence of need based upon the receipt of public assistance, or other reasonable methods.

(e) The chancellor shall submit a plan made pursuant to subdivision (b) to the California Postsecondary Education Commission, the Legislative Analyst, and to the fiscal and education policy committees of each house of the Legislature by June 15, 1984.

The California Postsecondary Education Commission shall review the plan and submit its recommendations to the fiscal and education

policy committees of each house of the Legislature.

(f) If the amount appropriated pursuant to this section exceeds the need for financial aid to students who cannot afford to pay the fee charged pursuant to Section 72252, the excess shall revert to the General Fund.

(g) If the amount needed for financial aid to students who cannot afford to pay the fee charged pursuant to Section 72252 and to pay districts for the total amount of fees defrayed pursuant to subdivision (f) of Section 72252 is greater than the amount appropriated by this section, the chancellor shall certify to the Department of Finance the amount of the additional funds which are required. Upon receipt of this certification, the Director of Finance shall take any administrative action available to him or her to transfer the additional funds, pursuant to the Budget Act or otherwise.

SEC. 15. Section 21 of Chapter 1 of the 1983–84 Second Extraordinary Session is amended to read:

Sec. 21. Upon certification by the Director of the Department of Finance to the Controller of the necessity of the funds, a sum not to exceed one hundred fifteen thousand dollars ($115,000) is hereby appropriated from the General Fund to the Chancellor of the California Community Colleges for the 1984–85 fiscal year, for the purpose of carrying out the study required by Section 17 of this act.

The chancellor shall enter into an interagency agreement with the California Postsecondary Education Commission to reimburse the commission for the cost of carrying out the duties imposed upon the commission by Section 17 of this act.

SEC. 16. (a) Notwithstanding Section 23 of Chapter 1 of the 1983–84 Second Extraordinary Session, Section 21 of Chapter 1 of the 1983–84 Second Extraordinary Session shall become operative on May 18, 1984, or on the effective date of this act, whichever is later.

(b) Notwithstanding Section 23 of Chapter 1 of the 1983–84 Second Extraordinary Session, the Board of Governors shall, prior to July 1, 1984, adopt regulations for the implementation of the provisions of Section 72252 of the Education Code in accordance with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 17. The sum of one hundred fifteen thousand dollars ($115,000) is hereby appropriated from the General Fund to the Chancellor of the California Community Colleges for the 1983–84 fiscal year, for the purpose of carrying out the study required by Section 17 of Chapter 1 of the 1983–84 Second Extraordinary Session.

The chancellor shall enter into an interagency agreement with the California Postsecondary Education Commission to reimburse the commission for the cost of carrying out the duties imposed upon the commission by Section 17 of Chapter 1 of the 1983–84 Second Extraordinary Session.

SEC. 18. (a) Sections 1 to 5, inclusive, and Sections 7 to 14, inclusive, of this act shall become operative on July 1, 1984, or on the effective date of this act, whichever is later.

(b) Sections 8 and 15 of this act shall become operative on May 18, 1984, or on the effective date of this act, whichever is later.

SEC. 19. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to clarify the law at the earliest possible time, and so facilitate the orderly administration of community colleges, it is necessary that this act take effect immediately.

CHAPTER 275

An act to add Section 1799.107 to the Health and Safety Code, relating to emergency services, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 2, 1984. Filed with Secretary of State July 3, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1799.107 is added to the Health and Safety Code, to read:

1799.107. (a) The Legislature finds and declares that a threat to the public health and safety exists whenever there is a need for emergency services and that public entities and emergency rescue personnel should be encouraged to provide emergency services. To that end, a qualified immunity from liability shall be provided for public entities and emergency rescue personnel providing emergency services.

(b) Except as provided in Article 1 (commencing with Section 17000) of Chapter 1 of Division 9 of the Vehicle Code, neither a public entity nor emergency rescue personnel shall be liable for any injury caused by an action taken by the emergency rescue personnel acting within the scope of their employment to provide emergency services, unless the action taken was performed in bad faith or in a grossly negligent manner.

(c) For purposes of this section, it shall be presumed that the action taken when providing emergency services was performed in good faith and without gross negligence. This presumption shall be one affecting the burden of proof.

(d) For purposes of this section, "emergency rescue personnel" means any person who is an officer, employee, or member of a fire department or fire protection or firefighting agency of the federal government, the State of California, a city, county, city and county, district, or other public or municipal corporation or political subdivision of this state, whether such person is a volunteer or partly paid or fully paid, while he or she is actually engaged in providing

emergency services as defined by subdivision (e).

(e) For purposes of this section, "emergency services" includes, but is not limited to, first aid and medical services, rescue procedures and transportation, or other related activities necessary to insure the health or safety of a person in imminent peril.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Emergency services cannot continue to be provided unless the fear of liability is removed.

CHAPTER 276

An act to amend Sections 4453.5, 13200.5, and 22348 of the Vehicle Code, relating to vehicles.

[Approved by Governor July 2, 1984. Filed with Secretary of State July 3, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 4453.5 of the Vehicle Code is amended to read:

4453.5. In the case of leased vehicles, the lessor and the lessee shall be shown on the registration card as the owner and the user of a vehicle, and the department shall designate their relationships upon the card and the ownership certificate by the words "lessor" and "lessee" and shall designate thereon the address of the lessee.

Transfers of ownership involving vehicles as described in the preceding paragraph may be effected upon the signature release by either the lessor or the lessee when the application for transfer is accompanied by a statement of facts that the party signatory is the owner of the vehicle and entitled to transfer the vehicle.

SEC. 2. Section 13200.5 of the Vehicle Code is amended to read:

13200.5. Whenever any person licensed under this code is convicted of a violation of subdivision (b) of Section 22348, the court may, unless this code makes mandatory a revocation by the department, suspend the privilege of the person to operate a motor vehicle for a period of not to exceed 30 days.

SEC. 3. Section 22348 of the Vehicle Code is amended to read:

22348. (a) Notwithstanding Section 22349, 22356, or any other provision of this chapter, no person shall drive a vehicle upon a highway at a speed greater than 55 miles per hour.

(b) Any person who drives a vehicle upon a highway at a speed greater than 100 miles per hour is guilty of an infraction punishable, as follows:

(1) Upon a first conviction of a violation of this subdivision, by a

fine of not to exceed five hundred dollars ($500). The court may also suspend the privilege of the person to operate a motor vehicle for a period not to exceed 30 days pursuant to Section 13200.5.

(2) Upon a conviction under this subdivision of an offense which occurred within three years of a prior offense resulting in a conviction of an offense under this subdivision, by a fine of not to exceed five hundred dollars ($500). The person's privilege to operate a motor vehicle shall be suspended by the Department of Motor Vehicles pursuant to subdivision (a) of Section 13355.

(3) Upon a conviction under this subdivision of an offense which occurred within five years of two or more prior offenses resulting in convictions of offenses under this subdivision, by a fine of not to exceed five hundred dollars ($500). The person's privilege to operate a motor vehicle shall be suspended by the Department of Motor Vehicles pursuant to subdivision (b) of Section 13355.

(c) Any vehicle subject to Section 22406 shall be driven in a lane designated pursuant to Section 21655, or if no lane has been so designated, in the right-hand lane for traffic or as close as practicable to the right-hand edge or curb. When overtaking and passing another vehicle proceeding in the same direction, the drivers shall use either the designated lane, the lane to the immediate left of the right-hand lane, or the right-hand lane for traffic as permitted under this code. If, however, specific lane or lanes have not been designated on a divided highway having four or more clearly marked lanes for traffic in one direction, any such vehicle may also be driven in the lane to the immediate left of the right-hand lane, unless otherwise prohibited under this code. This subdivision does not apply to a driver who is preparing for a left- or right-hand turn or who is in the process of entering into or exiting from a highway or to a driver who is required necessarily to drive in a lane other than the right-hand lane to continue on his intended route.

(d) This section shall remain in effect 120 days from the date that the 55-mile-per-hour national maximum speed limit, as specified in Section 154 of Title 23 of the United States Code, is repealed.

CHAPTER 277

An act to repeal Sections 19019, 19019.1, 19019.2, 19021, 19022, and 19023 of, and Article 3 (commencing with Section 19550) and Article 4 (commencing with Section 19600) of Chapter 6 of Part 2 of Division 10 of, the Welfare and Institutions Code, relating to blind persons.

[Approved by Governor July 2, 1984. Filed with Secretary of State July 3, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 19019 of the Welfare and Institutions Code is repealed.

SEC. 2. Section 19019.1 of the Welfare and Institutions Code is repealed.

SEC. 3. Section 19019.2 of the Welfare and Institutions Code is repealed.

SEC. 4. Section 19021 of the Welfare and Institutions Code is repealed.

SEC. 5. Section 19022 of the Welfare and Institutions Code is repealed.

SEC. 6. Section 19023 of the Welfare and Institutions Code is repealed.

SEC. 7. Article 3 (commencing with Section 19550) of Chapter 6 of Part 2 of Division 10 of the Welfare and Institutions Code is repealed.

SEC. 8. Article 4 (commencing with Section 19600) of Chapter 6 of Part 2 of Division 10 of the Welfare and Institutions Code is repealed.

CHAPTER 278

An act to amend Sections 3013, 3107, 3200, 3203, 3208, 3211, 3227, 3228, 3403.5, 3712, 3721, 3725, and 3771 of the Public Resources Code, relating to oil and gas.

[Approved by Governor July 2, 1984 Filed with Secretary of State July 3, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 3013 of the Public Resources Code is amended to read:

3013. This division shall be liberally construed to meet its purposes, and the director and the supervisor shall have all powers, including the authority to adopt rules and regulations, which may be necessary to carry out the purposes of this division.

SEC. 2. Section 3107 of the Public Resources Code is amended to read:

3107. A district deputy in each district, designated by the supervisor, shall collect all necessary information regarding the oil and gas wells in the district, with a view to determining the presence of oil and gas sands and the location and extent of strata bearing water suitable for irrigation or domestic purposes that might be affected. The district deputy shall prepare maps and other accessories necessary to determine the presence of oil and gas sands and the location and extent of strata bearing water suitable for

irrigation or domestic purposes or surface water suitable for those purposes. This work shall be done with the view to advising the operators as to the best means of protecting the oil and gas sands and the water-bearing strata and surface water, and with a view to aiding the supervisor in ordering tests or repair work at wells. All this data shall be kept on file in the office of the district deputy of the respective district.

SEC. 3. Section 3200 of the Public Resources Code is amended to read:

3200. Every owner or operator of any well shall designate an agent, giving his or her address, who resides in this state, to receive and accept service of all orders, notices, and processes of the supervisor or any court of law. Every person so appointing an agent shall, within five days after the termination of the agency, notify the supervisor, in writing, of the termination, and unless operations are discontinued, shall appoint a new agent.

SEC. 4. Section 3203 of the Public Resources Code is amended to read:

3203. The owner or operator of any well shall, before commencing the work of drilling the well, file with the supervisor or the district deputy a written notice of intention to commence drilling. Drilling shall not commence until approval is given by the supervisor or the district deputy; if the supervisor or the district deputy fails to give the owner or operator written response to the notice within 10 working days, that failure shall be considered as an approval of the notice and the notice shall, for the purposes and intents of this chapter, be deemed a written report of the supervisor. If operations have not commenced within one year of receipt of the notice, the notice shall be deemed canceled. The notice shall contain the following:

(a) The location and elevation above sea level of the floor of the proposed derrick and drill rig.

(b) The number or other designation by which the well shall be known. That number or designation shall be subject to the approval of the supervisor.

(c) The owner's or operator's estimate of the depths between which production will be attempted.

(d) Any other pertinent data the supervisor may require.

After the completion of any well, this section shall also apply, as far as may be, to the deepening or redrilling of the well, any operation involving the plugging of the well, or any operations permanently altering in any manner the casing of the well. The number or designation of any well, and the number or designation specified for any well in a notice filed as required by this section, shall not be changed without first obtaining a written consent of the supervisor.

SEC. 5. Section 3208 of the Public Resources Code is amended to read:

3208. For the purposes of Section 3207, a well is properly completed to production of oil or gas when it has been shown, to the

satisfaction of the supervisor, that the manner of producing oil or gas therefrom is satisfactory and that the well has maintained production of oil or gas for a continuous six-month period. A well is properly abandoned when it has been shown, to the satisfaction of the supervisor, that all proper steps have been taken to isolate all oil-bearing or gas-bearing strata encountered in the well, and to protect underground or surface water suitable for irrigation or farm or domestic purposes from the infiltration or addition of any detrimental substance and to prevent subsequent damage to life, health, property, and other resources.

SEC. 6. Section 3211 of the Public Resources Code is amended to read:

3211. The log shall show the character and depth of the formation passed through or encountered in the drilling of the well. The log shall show completely the amounts, kinds, and size of casing used, the depth at which oil-bearing or gas-bearing strata are encountered, the depth and character of the strata, and whether all water overlying and underlying the oil-bearing or gas-bearing strata was successfully and permanently shut off so as to prevent the percolation or penetration of water into the oil-bearing or gas-bearing strata; and whether strata bearing water that might be suitable for irrigation or domestic purposes are properly protected from the infiltration or addition of detrimental substances from the well.

SEC. 7. Section 3227 of the Public Resources Code is amended to read:

3227. The owner of any well shall file with the supervisor, on or before the last day of each month, for the last preceding calendar month, a statement, in the form designated by the supervisor, showing all of the following:

(a) The amount of oil and gas produced from each well during the period indicated, together with the gravity of the oil, the amount of water produced from each well, estimated in accordance with methods approved by the supervisor, and the number of days during which fluid was produced from each well.

(b) The number of wells drilling, producing, injecting, or idle, that are owned or operated by the person.

(c) What disposition was made of the gas produced from each field, including the names of persons, if any, to whom the gas was delivered, and any other information regarding the gas and its disposition that the supervisor may require.

(d) What disposition was made of the water produced from each field, and the amount of fluid or gas injected into each well used for enhanced recovery, underground storage of hydrocarbons, or waste water disposal and any other information regarding those wells that the supervisor may require.

Any operator that produces oil by the application of mining or other unconventional techniques shall file a report with the supervisor, on or before March 1 of each year, showing the amount of oil produced by those techniques in the preceding calendar year.

Upon request and making a satisfactory showing therefor, a longer filing period may be established by the supervisor for any particular owner or operator.

SEC. 8. Section 3228 of the Public Resources Code is amended to read:

3228. Before abandoning any well in accordance with methods approved by the supervisor or the district deputy, and under his or her direction, the owner or operator shall isolate all oil-bearing or gas-bearing strata encountered in the well and shall use every effort and endeavor to protect any underground or surface water suitable for irrigation or domestic purposes from the infiltration or addition of any detrimental substances.

SEC. 9. Section 3403.5 of the Public Resources Code is amended to read:

3403.5. (a) The Legislature finds that there are underground storage facilities for gas that utilize depleted or partially depleted oil or gas reservoirs. Purchased gas, usually from out of state, is injected for storage and withdrawn during peak load periods. The supervisor is required to maintain surveillance over these facilities to insure that the original reserves are not lost, that drilling of new wells is conducted properly, and that no damage occurs to the environment by reason of injection and withdrawal of gas.

(b) In order to help support the regulatory effort of the supervisor, there shall be imposed an annual charge computed at a uniform rate based on the number of wells used to inject and withdraw gas from an underground storage facility during the preceding calendar year. The charge shall defray the costs incurred by the state in conducting the activities described in this section.

SEC. 10. Section 3712 of the Public Resources Code is amended to read:

3712. This chapter shall be liberally construed to meet its purposes, and the director and the supervisor shall have all powers which may be necessary to carry out the purposes of this chapter, including the authority to adopt rules and regulations.

SEC. 11. Section 3721 of the Public Resources Code is amended to read:

3721. Every owner or operator of any well shall designate an agent, giving his or her address, who resides in this state, to receive and accept all orders, notices, and processes of the supervisor or any court of law. Every person so appointing an agent shall, within five days after the termination of the agency, notify the supervisor, in writing, of such termination, and unless operations are discontinued, shall appoint a new agent.

SEC. 12. Section 3725 of the Public Resources Code is amended to read:

3725. Every person who engages in the drilling, redrilling, deepening, maintaining, or abandoning of any well, except a low-temperature geothermal well, shall file with the supervisor an individual indemnity bond in the sum of twenty-five thousand

dollars ($25,000) for each well drilled, redrilled, deepened, maintained, or abandoned. The bond shall be filed with the supervisor at the time of the filing of the notice of intention to drill, redrill, deepen, maintain, or abandon, as provided in Section 3724 or 3724.1. The bond shall be executed by the person, as principal, and by an authorized surety company, as surety, conditioned that the principal named in the bond shall faithfully comply with all the provisions of this chapter, in drilling, redrilling, deepening, maintaining, or abandoning any well or wells covered by the bond, and shall secure the state against all losses, charges, and expenses incurred by it to obtain such compliance by the principal named in the bond.

The conditions of the bond shall be stated in substantially the following language:

"If _____, the above bounden principal, shall well and truly comply with all the provisions of Chapter 4 (commencing with Section 3700) of Division 3 of the Public Resources Code and shall obey all lawful orders of the State Oil and Gas Supervisor, or his or her district deputy or deputies, if not appealed as provided in that chapter, or upon affirmance thereof by the Director of Conservation, if appealed thereto, and shall pay all charges, costs, and expenses incurred by the supervisor or his or her district deputy or deputies in respect of the well or wells or the property or properties of the principal, or assessed against the well or wells or the property or properties of the principal, in pursuance of the provisions of that chapter, then this obligation shall be void; otherwise, it shall remain in full force and effect."

SEC. 13. Section 3771 of the Public Resources Code is amended to read:

3771. In case of the failure or neglect on the part of any person to comply with any order of the supervisor or the director, or any subpoena, or upon the refusal of any witness to testify to any matter regarding which the person may lawfully be interrogated, or upon refusal or neglect to appear and attend at any proceeding or hearing on the day specified, after having received a written notice of not less than 10 days prior to the proceeding or hearing, or upon the person's failure, refusal or neglect to produce books, papers, or documents as demanded in the order or subpoena upon that day, that failure, refusal or neglect constitutes a misdemeanor. Each day's further failure, refusal, or neglect is a separate and distinct offense.

The district attorney of the county in which the proceeding, hearing, or investigation is to be held, shall prosecute any person guilty of violating this section by continuous prosecution until the person appears or attends or produces the books, papers, or documents, or complies with the subpoena or order of the supervisor or the director.

CHAPTER 279

An act to amend Sections 23903 and 23909 of the Education Code, relating to the State Teachers' Retirement System.

[Approved by Governor July 2, 1984. Filed with Secretary of State July 3, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 23903 of the Education Code is amended to read:

23903. The board may authorize payment of a disability allowance to any member who is qualified upon application by the member, the guardian or conservator, or the employer, if the application is made during any one of the following periods:

(a) While the member is on a compensated leave of absence.

(b) While the member is physically or mentally incapacitated for performance of his or her duty and the incapacity has been continuous from the last day for which compensation was paid to the member.

(c) While the member is on a leave of absence without compensation. granted for reason other than mental or physical incapacity for performance of his or her duty, and within four months after the last day of employment for which compensation was paid to the member, or within 12 months while on an official district leave to study at an approved college or university.

(d) Within four months after the termination of the member's employment in a position requiring membership in the system, if the application was not made under subdivision (b) and was not made more than four months after the last day for which compensation was paid to the member.

(e) A member with children who becomes disabled prior to age 60, and whose sick leave will extend beyond age 60, may be awarded a disability allowance with an effective date after age 60, if application is filed prior to attaining age 60.

(f) The member is not applying for a disability allowance because of a physical or mental condition which existed at the time the most recent membership in this system commenced and which remains substantially unchanged at the time of application.

On receipt of an application for disability allowance, the system may order a medical examination of a member to determine whether the member is incapacitated for further service. The medical examination shall be conducted by a physician selected by the board and the board shall pay all reasonable costs associated with the examination. If the applicant for disability allowance refuses to submit to the required medical examination, the application for disability allowance shall be canceled. The applicant shall either remain in this state, or return to this state at the applicant's own

expense, to undergo the initial evaluations or examinations or the application shall be disallowed, unless this requirement is waived by the board.

SEC. 2. Section 23909 of the Education Code is amended to read:

23909. The board may require any member receiving a disability allowance to undergo medical examination at such times as it deems necessary. The board may authorize the medical examination to be conducted and reported by the treating source of the member at the expense of the member and, in any case, may require a medical examination to be conducted by a physician selected by the board, in which event, the board shall pay all reasonable costs associated with the examination. The board shall, in scheduling medical examinations, give consideration to the interests and convenience of the member receiving the disability allowance. If the examination, together with other available information, shows to the satisfaction of the board that the member is no longer disabled, the disability allowance shall cease. Should the member refuse to submit to medical examination, as herein provided, payments to the member under the disability shall be discontinued and all rights of the member in the disability allowance shall be revoked.

CHAPTER 280

An act to amend Sections 20013, 20013.5, 20014, 20016, 20742, 20983.5, 21022, 21101, 21252.02, 21263, 21290.5, 21292.6, 21293, and 21363 of, and to add Sections 20017.10, 20017.95, 20017.96, 20017.97, 20017.98, 20017.99, 20602.93, 20607, 20803.3, 20980.4, 21292.1, 22013.95, 22013.96, and 22013.97 to, the Government Code, relating to the Public Employees' Retirement System, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 3, 1984. Filed with Secretary of State July 3, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 20013 of the Government Code is amended to read:

20013. (a) "Member" means an employee who has qualified for membership in the Public Employees' Retirement System and on whose behalf an employer has become obligated to pay contributions.

(b) "State member" includes:

(1) State miscellaneous members.

(2) University members.

(3) Patrol members.

(4) State safety members.

(5) State industrial members.

(6) State peace officer/firefighter members.

(c) "Local member" includes:

(1) Local miscellaneous members.

(2) Local safety members.

(d) "School member" includes all employees within the jurisdiction of a school employer, other than local policemen.

SEC. 2. Section 20013.5 of the Government Code is amended to read:

20013.5. "Member classification" means either:

(a) Miscellaneous member classification, which includes state miscellaneous members, university members, local miscellaneous members, state industrial members, and school members; or

(b) Safety member classification, which includes patrol members, state peace officer/firefighter members, state safety members, and local safety members.

SEC. 3. Section 20014 of the Government Code is amended to read:

20014. "State miscellaneous member" includes all members employed by the state and university, except industrial, patrol, state peace officer/firefighter, and state safety members.

SEC. 4. Section 20016 of the Government Code is amended to read:

20016. "State industrial member" includes all state employees appointed by the Governor or by the Director of Corrections or the Board of Prison Terms or the Department of the Youth Authority or the Youthful Offender Board and employed in the state prisons or facilities of the Department of Corrections or the Department of the Youth Authority, or employed in the Division of Adult Paroles as chief, deputy chief, agents, or officers, and all parole agents or officers appointed by the Board of Prison Terms under the State Civil Service Act, any parole agents or officers appointed by the Board of Trustees of the California Institution for Women, the members of the Board of Prison Terms, and the members of the Board of Trustees of the California Institution for Women except such employees who are state safety members or state peace officer/firefighter members.

Except as expressly otherwise provided, the provisions of this part applicable to state miscellaneous members apply to state industrial members.

The provisions of this part providing industrial death and disability benefits to state industrial members shall also apply to any other state employee whose death or disability results from an injury which is a direct consequence of a violent act perpetrated on his person by an inmate of a state prison, correctional school or facility of the Department of Corrections or the Youth Authority or a parolee therefrom subject to the same conditions prescribed by Section 20038.6.

SEC. 5. Section 20017.10 is added to the Government Code, to read:

20017.10. "State safety member" includes all persons specified in this article by employer, classification, or duties performed, except persons in those classes defined as "peace officer/firefighter members."

SEC. 5.5. Section 20017.95 is added to the Government Code, to read:

20017.95. "State peace officer/firefighter member" means:

(a) All persons in the Department of Alcoholic Beverage Control, the Board of Prison Terms, the Department of Consumer Affairs, the Department of Developmental Services, the Department of Health Services, the Horse Racing Board, the Department of Industrial Relations, the Department of Insurance, the Department of Mental Health, the Department of Motor Vehicles, the Department of Social Services employed with the class title of Special Investigator (Class Code 8553), Senior Special Investigator (Class Code 8550), Investigator Trainee (Class Code 8555), and Investigator Assistant (Class Code 8554) which have been designated as peace officers as defined in Sections 830.2 and 830.3 of the Penal Code.

(b) All persons within the Department of Justice who are state employees as defined in subdivision (c) of Section 3513 and who have been designated as peace officers and performing investigative duties.

(c) All persons in the Department of Parks and Recreation employed with the class title of Park Ranger (Intermittent) (Class Code 0984) which have been designated as peace officers as defined in Sections 830.2 and 830.3 of the Penal Code.

Any person so designated may elect, within 90 days of notification by the board, to remain subject to the service retirement benefit and compulsory retirement age applicable prior to the effective date of this section by filing an irrevocable notice of election with the board. A member who so elects shall be subject to the reduced benefit factors specified in Section 21251.13 only for service also included in the federal system.

SEC. 6. Section 20017.96 is added to the Government Code, to read:

20017.96. "State peace officer/firefighter member" also includes officers and employees with the following class titles of:

Class Code	Classification
9694	Board Coordinating Parole Agent, Youthful Offender Parole Board
9774	Correctional Case Worker Trainee
9649	Correctional Program Supervisor
9903	Correctional Counselor II
9904	Correctional Counselor I
9662	Correctional Officer
9658	Correctional Officer Trainee
9911	Case Work Specialist, Youth Authority

9579	Group Supervisor
9578	Group Supervisor Trainee
8217	Medical Technical Assistant, Correctional Facility
9701	Parole Agent I, Youth Authority
9765	Parole Agent I, Adult Parole
9696	Parole Agent II, Youth Authority
9763	Parole Agent II, Adult Parole
9776	Parole Service Associate
8215	Senior Medical Technical Assistant
9590	Transportation Officer, Youth Authority
9581	Youth Counselor
6875	Air Operations Officer I
6877	Air Operations Officer I, Maintenance
6882	Air Operations Officer II, Maintenance
1050	Air Operations Officer III-Maintenance
1053	Air Operations Officer III
1056	Air Operations Officer II
1077	Fire Apparatus Engineer
1074	Fire Captain
1072	Fire Control Aid
1069	Fire Crew Supervisor
1082	Firefighter, California Department of Forestry
1083	Seasonal firefighter, California Department of Forestry
1046	Forestry Helicopter Pilot
1047	Fire Prevention Officer I
1049	Fire Prevention Officer II
1054	Forester I
1060	Forestry Aid
6387	Heavy Fire Equipment Operator
1055	Junior Forester
8997	Arson/Bomb Investigator
8972	Deputy State Fire Marshal II
8975	Deputy State Fire Marshal I
9043	Food and Drug Investigator I
9039	Food and Drug Investigator II
9042	Food and Drug Investigator III
9001	Firefighter/Correctional Institutions
8416	Lt. Fish and Game Patrol Boat
0992	Life Guard
1992	Museum Security Officer I
0890	Park Safety/Enforcement Specialist
8359	Sgt. California State Police
8464	State Police Officer
0983	State Park Ranger I
0981	State Park Technician
8358	State Security Officer

8989	Supervisor Firefighter/Security Guard
8410	Warden/Pilot Fish and Game
8990	Firefighter/Security Guard
8979	Firefighter
8421	Fish and Game Warden
8418	Fish and Game Patrol, Lieutenant
9028	Food and Drug Program Coordinator
9007	Food Technology Specialist
9088	Fire Service Training Specialist I
9089	Fire Service Training Specialist II
9090	Fire Service Training Specialist III
1937	Hospital Peace Officer I
9013	Deputy State Fire Marshal III Specialist
8567	Investigator Trainee, Food and Agriculture
0989	Aquatic Specialist
0982	State Park Ranger Trainee

Any person so designated may elect, within 90 days of notification by the board, to remain subject to the service retirement benefit and compulsory retirement age applicable prior to the effective date of this section by filing an irrevocable notice of election with the board. A member who so elects shall be subject to the reduced benefit factors specified in Section 21251.13 only for service also included in the federal system.

SEC. 7. Section 20017.97 is added to the Government Code, to read:

20017.97. "State peace officer/firefighter member" also means:

(a) All persons in the Department of Corporations, Office of the Controller, and the Public Employees' Retirement System employed on a full-time permanent basis with the class title of Special Investigator (Class Code 8553), Senior Special Investigator (Class Code 8550), Investigator Trainee (Class Code 8555) and Investigator Assistant (Class Code 8554) who have been designated as peace officers as defined in Sections 830.2 and 830.3 of the Penal Code.

(b) All persons employed on a full-time permanent basis with the class title of Sergeant State Fair Police (Class Code 1946), State Fair Police Officer (Class Code 1945), Senior Investigator, Structural Pest Control Board (Class Code 8821), Investigator Structural Pest Control Board (Class Code 8802), District Representative I and II, Division of Codes and Standards (Class Codes 8960 and 8958), Deputy Registrar of Contractors I and II (Class Codes 8793 and 8792), Polygraph Examiners, California Youth Authority (Class Code 8542), or Community Services Consultant I (Class Code 9717) who have been designated as peace officers as defined in Sections 830.2, 830.3, and 830.5 of the Penal Code.

(c) All persons employed on a full-time permanent basis with the class title of Deputy State Fire Marshal Intern (Class Code 8980).

Any person so designated may elect, within 90 days of notification by the board, to remain subject to the service retirement benefit and

compulsory retirement age applicable prior to the effective date of this section by filing an irrevocable notice of election with the board. A member who so elects shall be subject to the reduced benefit factors specified in Section 21251.13 only for service also included in the federal system.

This section shall not become applicable to any member so designated until such time as a ruling or regulation authorizing the inclusion of persons so designated within the definition of "policeman or fireman" is issued by the federal agency for purposes of Section 218(d) (5) (A) of the Social Security Act.

SEC. 8. Section 20017.98 is added to the Government Code, to read:

20017.98. "State peace officer/firefighter member" means all members who are full-time permanent employees represented in Corrections Unit No. 6, Protective Services and Public Safety Unit No. 7, and Firefighters Unit No. 8 and are employed after the operative date of this section in class titles which are designated as peace officer as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal Code or are firefighters whose principal duties consist of active firefighting/fire suppression.

A member who is employed in a position that is reclassified from state miscellaneous to state peace officer/firefighter pursuant to this section, may make an irrevocable election in writing to remain subject to the miscellaneous service retirement benefit and compulsory retirement age by filing a notice of the election with the board within 90 days of notification by the board. A member who so elects shall be subject to the reduced benefit factors specified in Section 21251.13 only for service also included in the federal system.

This section shall not become applicable to any member included in a classification until such time as a ruling or regulation authorizing the inclusion of persons employed in that classification within the definition of "policeman or fireman" is issued by the federal agency for purposes of Section 218(d) (5) (A) of the Social Security Act.

SEC. 9. Section 20017.99 is added to the Government Code, to read:

20017.99. "State peace officer/firefighter member" also includes state officers and employees who have been designated as a peace officer as defined in Sections 830.1, 830.2, 830.3, 830.4, and 830.5 of the Penal Code, except patrol members, or a firefighter whose principal duties consist of active firefighting/fire suppression, who are either excluded from the definition of state employee in subdivision (c) of Section 3513 or is a supervisory employee as defined in Section 3522.1, or is a nonelected officer or employee of the executive branch of government who is not a member of the civil service, provided, that those officers and employees have responsibility for the direct supervision of state peace officer/firefighter personnel specified in Sections 20017.95, 20017.96, 20017.97, and 20017.98. The Department of Personnel Administration shall, on an annual basis, determine which classes meet the above conditions and are not classes specified

in Sections 20017.95, 20017.96, 20017.97, and 20017.98, and report its findings to the Legislature and to the Public Employees' Retirement System, to be effective July 1 of each year.

Any person so designated may elect, within 90 days of notification by the board, to remain subject to the service retirement benefit and compulsory retirement age applicable prior to the effective date of this section by filing an irrevocable notice of election with the board. A member who so elects shall be subject to the reduced benefit factors specified in Section 21251.13 only for service also included in the federal system.

This section shall not become applicable to any member so designated until such time as a ruling or regulation authorizing the inclusion of persons so designated within the definition of "policeman or fireman" is issued by the federal agency for purposes of Section 218(d)(5)(A) of the Social Security Act.

SEC. 10. Section 20602.93 is added to the Government Code, to read:

20602.93. Whenever a person becomes a state peace officer/firefighter member as a result of an amendment to this part defining state peace officer/firefighter member, the rate of contribution provided for state peace officer/firefighter shall apply only to compensation paid the person for service on and after the effective date of the amendment.

SEC. 11. Section 20607 is added to the Government Code, to read:

20607. The normal rate of contribution for state peace officer/firefighter members shall be 8 percent of the compensation in excess of two hundred thirty-eight dollars ($238) per month paid those members.

SEC. 12. Section 20742 of the Government Code is amended to read:

20742. Notwithstanding any other provision of this part, the state's contribution to the Public Employees' Retirement Fund during fiscal year 1984–85 is a sum equal to the percentages of compensation paid the following categories:

(a) 18.267 percent with respect to state miscellaneous members.

(b) 19.976 percent with respect to state industrial members.

(c) 20.518 percent with respect to state safety members.

(d) 25.292 percent with respect to state patrol members.

(e) 24.310 percent with respect to state peace officer/firefighter members.

SEC. 13. Section 20803.3 is added to the Government Code, to read:

20803.3. "State peace officer/firefighter service" means service rendered as a state peace officer/firefighter member only while receiving compensation for that service, except as provided in Article 4 (commencing with Section 20890) of this chapter. It also includes service rendered in an employment in which persons have since become state peace officer/firefighter members.

SEC. 14. Section 20980.4 is added to the Government Code, to

read:

20980.4. Every state peace officer/firefighter member shall be retired on the first day of the calendar month succeeding that in which he or she attains age 60, unless the member has elected to remain subject to the service retirement benefit and compulsory retirement age applicable prior to the effective date of this section. Every member who has attained age 60 when he or she becomes a peace officer/firefighter member shall be retired on the first day of the following month.

SEC. 15. Section 20983.5 of the Government Code is amended to read:

20983.5. Every state member, other than a patrol, state peace officer/firefighter (unless the peace officer/firefighter member elected to remain subject to the state miscellaneous or industrial service retirement benefit and compulsory retirement age), or state safety member, and who has attained age 70, and all such persons who are reinstated from retirement and who are over age 70 at the time of their reinstatement, or who are first employed after age 70, shall have the right to delay retirement and to continue in employment upon certification of the member's eligibility to continue in employment by the department or agency head or other appropriate supervisor pursuant to rules and regulations adopted by the State Personnel Board, the Regents of the University of California, or the Trustees of the State Universities or Colleges with respect to employees under their respective jurisdictions. The rules and regulations shall also provide for an appeal in cases when eligibility is denied. The appeal shall be directly to the entity or its designated representative. Certificates of eligibility may be limited for a time period of one or more years, and may be renewed from time to time upon expiration.

"Eligibility," for purposes of this section, shall mean job performance of standard or above.

The board shall identify all members who are approaching age 70 and shall notify the member and his or her employer of the member's option to continue in employment under this section. Upon receipt of the initial certificate of eligibility by the board from the employer, a member shall be continued in membership and shall be entitled to all of the rights and subject to all of the liabilities arising from this membership, including the obligation to pay contributions and the right to receive additional service credit.

The board shall not process subsequent certificates of eligibility, and notwithstanding any other provisions of law, a member who continues in membership pursuant to this section shall thereafter be retired for service only upon his or her voluntary application for retirement, and the effective date of the retirement shall be the date following the last date for which salary is payable or any subsequent date specified by the member.

A member who continues or has continued in employment under this section may thereafter retire with less than five years of service.

A member who attains age 67 prior to January 1, 1982, may retire with less than five years of service.

SEC. 16. Section 21022 of the Government Code is amended to read:

21022. Any patrol, state safety member, state industrial, state peace officer/firefighter, or local safety member incapacitated for the performance of duty as the result of an industrial disability shall be retired for disability, pursuant to this chapter, regardless of age or amount of service.

SEC. 18. Section 21101 of the Government Code is amended to read:

21101. The board may reinstate a person from retirement upon (a) his or her application to the board for reinstatement; (b) the determination of the board, based upon medical examination, that he or she is not incapacitated for the duties to be assigned to him or her; and (c) the determination of the board that his or her age at the date of application for reinstatement is at least six months less than the age of compulsory retirement for service applicable to members of the class or category in which it is proposed to employ him or her. The provisions of clause (c) of this section shall apply only to patrol, state peace officer/firefighters, and safety members. The effective date of such reinstatement for purposes of this article shall be the first day of compensated employment following approval of reinstatement.

SEC. 19. Section 21252.02 of the Government Code is amended to read:

21252.02. The combined current and prior service pensions for state peace officer/firefighter members subject to this section with respect to state peace officer/firefighter service which is subject to the provisions of this section is a pension derived from the contributions of the employer sufficient when added to the service retirement annuity which is derived from the accumulated normal contributions of the state peace officer/firefighter member at the date of his or her retirement to equal the fraction of one-fiftieth of his or her final compensation set forth opposite his or her age at retirement taken to the preceding completed quarter-year, in the following table, multiplied by the number of years of state peace officer/firefighter service subject to this section with which he or she is credited at retirement.

Age at retirement	Fraction
50	1.0000
50¼	1.0125
50½	1.0250
50¾	1.0375
51	1.0500
51¼	1.0625
51½	1.0750
51¾	1.0875

52	1.1000
52¼	1.1125
52½	1.1250
52¾	1.1375
53	1.1500
53¼	1.1625
53½	1.1750
53¾	1.1875
54	1.2000
54¼	1.2125
54½	1.2250
54¾	1.2375
55 and over	1.2500

In no event shall the current service pension and the combined current and prior service pensions under this section for all service to all employers exceed an amount which, when added to the service retirement annuity related to such service, equals 75 percent of final compensation. If the pension relates to service to more than one employer, or this section and Section 21252.6, and would otherwise exceed such maximum, the pension payable with respect to each section or employer shall be reduced in the same proportion as the allowance bears to the total allowance computed as though there were no limit, so that the total of such pensions shall equal the maximum.

The Legislature reserves, with respect to any member subject to this section, the right to provide for such adjustment of industrial disability retirement allowances because of earnings of a retired person and modification of the conditions and qualifications required for retirement for disability as it may find appropriate because of the earlier age of service retirement made possible by the benefits under this section.

This section shall be applicable only to the state peace officer/firefighter members who are represented in Corrections Unit No. 6, Protective Services and Public Safety Unit No. 7, and Firefighters Unit No. 8.

This section may be applied to related supervisory classes for the respective bargaining units specified in this section.

This section shall be operative with respect to members in each of the bargaining units specified in this section only if a memorandum of understanding is reached between the state and the exclusive bargaining agent in the respective unit pursuant to the State Employer-Employee Relations Act, Chapter 10.3 (commencing with Section 3512) of Division 4 of Title 1, which specifically agrees to the provisions of this section and which is approved by the Legislature pursuant to law.

Nothing in this section or in any other provision of law affected by the bill amending this section in 1984 of the 1983–84 Regular Session of the Legislature shall be construed as authorizing any future

negotiation with respect to whether or not any bargaining unit specified in this section whose memorandum of understanding was previously approved by the Legislature pursuant to law and this section, shall continue to remain within the state peace officer/firefighter membership category.

The operative date of this section with respect to members in each of the bargaining units specified in this section shall be as provided for in the memorandum of understanding.

This section shall not apply to a person whose effective date of retirement is prior to the operative date of this section with respect to the bargaining unit of the person.

This section shall be known as, and may be cited as the State Peace Officers' and Fire Fighters' Retirement Act.

Notwithstanding any of the foregoing provisions of this section, this section shall not in any event become operative with respect to or apply to any bargaining unit specified in this section or any employee in any bargaining unit specified in this section unless and until the effective date of a subsequent statute in which the Legislature establishes the related employer and employee contribution rates.

The Legislature reserves the right to subsequently modify or amend this part in order to completely effectuate the intent and purposes of this section and the right to not provide any new comparable advantages if disadvantages to employees result from any such modification or amendment.

SEC. 20. Section 21263 of the Government Code is amended to read:

21263. Upon the death of a patrol, state peace officer/firefighter, or state safety member whose retirement for service or disability is effective on or after the operative date of this section, a monthly allowance derived from employer contributions equal to a percentage of the amount of his or her retirement allowance as it was at his or her death based on service credited to him or her as a member subject to this section, but excluding any portion of the retirement allowance derived from additional contributions of the member, shall be paid to the surviving spouse throughout life or until remarriage. The percentage shall be 25 percent for an allowance based on service for which the allowance is reduced because the service was also covered under the federal system and 50 percent for an allowance based on any other service. If there is no surviving spouse, or upon the death or remarriage of the surviving spouse, the allowance shall be paid collectively to every unmarried child of the deceased member who has not attained age 18, or who is disabled by a condition which disabled that child prior to attaining age 18 and which has continued without interruption after age 18, until the disability ceases. If, at the time of the retired member's death, there is no eligible surviving spouse or children, the allowance shall be paid to a parent, or collectively to parents, of the deceased member dependent upon him or her for support. If, on the effective date of his or her retirement, the member has no surviving spouse, eligible children,

or dependent parents and elected an optional settlement, no allowance under this section shall be paid.

"Surviving spouse," for purposes of this section, means a husband or wife who was married to the member for a continuous period beginning at least one year prior to his or her retirement and ending on the date of his or her death.

SEC. 21. Section 21290.5 of the Government Code is amended to read:

21290.5. Upon retirement for nonindustrial disability, a patrol member or local safety member subject to Section 21252.01 or a state peace officer/firefighter who has attained age 50, or a state safety member who has attained age 55, shall receive his or her service retirement allowance.

SEC. 22. Section 21292.1 is added to the Government Code, to read:

21292.1. Upon retirement of a state peace officer/firefighter member for industrial disability the member shall receive a disability allowance of 50 percent of his or her final compensation plus an annuity purchased with his or her accumulated additional contributions, if any, or, if qualified for service retirement, the member shall receive his or her service retirement allowance if the allowance, after deducting such annuity, is greater.

SEC. 24. Section 21292.6 of the Government Code is amended to read:

21292.6. Notwithstanding any other provision of this part, the industrial disability retirement allowance of a member whose membership commenced after January 1, 1980, in the category of membership in which the member was serving at the time of suffering the disability or incurring the disease causing retirement for industrial disability, shall not exceed the service retirement allowance that would be payable as a result of service in that category of membership if the member's service had continued to age 55, if a patrol, state peace officer/firefighter member, state safety, or local safety member, or age 63, if any other category of member.

This section shall not be applicable to a member who is subject to Section 21307, or a member whose disability results from an injury which is a direct consequence of a violent act perpetrated upon his person or occurs during the performance of those portions of his duties which are particularly hazardous and dangerous.

SEC. 25. Section 21293 of the Government Code is amended to read:

21293. The disability retirement allowance for a patrol, state safety, state peace officer/firefighter, state industrial, or local safety member retired because of industrial disability shall be derived from his or her accumulated normal contributions and the contributions of his or her employer.

SEC. 26. Section 21363 of the Government Code is amended to read:

21363. The special death benefit is payable if the deceased was a

patrol, state peace officer/firefighter, state safety, state industrial or local safety member, if his death was industrial and if there is a survivor who qualifies under subdivision (b) of Section 21364. The Workers' Compensation Appeals Board, using the same procedures as in workers' compensation hearings, shall in disputed cases determine whether the death of a member was industrial.

The jurisdiction of the Workers' Compensation Appeals Board shall be limited solely to the issue of industrial causation, and this section shall not be construed to authorize the Workers' Compensation Appeals Board to award costs against the system pursuant to Section 4600, 5811, or any other provision of the Labor Code.

SEC. 27. Section 22013.95 is added to the Government Code, to read:

22013.95. (a) "Policeman" or "fireman," as used in this part, also includes persons employed in positions set forth in Section 20017.97, provided, such designation is not contrary to any definition, ruling, or regulation relating to the term "policeman" or "fireman" issued by the federal agency for the purposes of Section 218(d) (5) (A) of the Social Security Act (42 U.S.C. Sec. 418(d) (5) (A)).

(b) This section shall not become operative until such time as a ruling or regulation authorizing the inclusion of persons employed in classifications set forth in Section 20017.97 within the definition of "policeman" or "fireman" is issued by the federal agency for purposes of Section 218(d) (5) (A) of the Social Security Act (42 U.S.C. Sec. 418(d) (5) (A)).

SEC. 28. Section 22013.96 is added to the Government Code, to read:

22013.96. (a) "Policeman" or "fireman," as used in this part, also includes persons employed in positions set forth in Section 20017.98, provided, such designation is not contrary to any definition, ruling, or regulation relating to the term "policeman" or "fireman" issued by the federal agency for the purposes of Section 218(d) (5) (A) of the Social Security Act (42 U.S.C. Sec. 418(d) (5) (A)).

(b) This section shall not become operative until such time as a ruling or regulation authorizing the inclusion of persons employed in classifications set forth in Section 20017.98 within the definition of "policeman" or "fireman" is issued by the federal agency for purposes of Section 218(d) (5) (A) of the Social Security Act (42 U.S.C. Sec. 418(d) (5) (A)).

SEC. 29. Section 22013.97 is added to the Government Code, to read:

22013.97. (a) "Policeman" or "fireman," as used in this part, also includes persons employed in positions set forth in Sections 20017.99; provided, such designation is not contrary to any definition, ruling, or regulation relating to the term "policeman" or "fireman" issued by the federal agency for the purposes of Section 218(d) (5) (A) of the Social Security Act (42 U.S.C. Sec. 418(d) (5) (A)).

(b) This section shall not become operative until such time as a ruling or regulation authorizing the inclusion of persons employed in

classifications set forth in Section 20017.99 within the definition of "policeman" or "fireman" is issued by the federal agency for purposes of Section 218(d) (5) (A) of the Social Security Act (42 U.S.C. Sec. 418(d) (5) (A)).

SEC. 30. It is the intent of the Legislature in enacting this statute to implement Section 21252.02 of the Government Code, as added by Chapter 1318 of the Statutes of 1983.

SEC. 31. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

SEC. 32. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the benefits conferred upon employees by this act may take effect by July 1, 1984, it is necessary that this act take effect immediately.

CHAPTER 281

An act to amend Sections 597w, 597y, and 597z of, and to repeal Section 597x of, the Penal Code, relating to animals.

[Approved by Governor July 5, 1984 Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 597w of the Penal Code is amended to read:

597w. No person, peace officer, officer of a humane society, or officer of a pound or animal regulation department of a public agency shall kill any dog or cat by the use of any high-altitude decompression chamber or nitrogen gas.

SEC. 2. Section 597x of the Penal Code is repealed.

SEC. 3. Section 597y of the Penal Code is amended to read:

597y. Any violation of Section 597u, 597v, or 597w shall be a misdemeanor.

SEC. 4. Section 597z of the Penal Code is amended to read:

597z. A humane officer appointed under Section 607f of the Civil Code or the State Sealer may enter any facility utilizing a carbon monoxide gas chamber for the purpose of inspecting the operation of such facility to determine whether there is compliance with Section 597u.

SEC. 5. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and

Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 6. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because it is the intent of the Legislature that local agencies, at their option, use less expensive means of euthanasia which are still available after the enactment of this act. Further, this act does not mandate the use of any more expensive euthanasia methods. Therefore, the State Board of Control shall not approve any claims based on the use of more expensive euthanasia methods.

CHAPTER 282

An act to amend Sections 5 and 6 of Chapter 1143 of the Statutes of 1982, relating to school buildings, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 5, 1984 Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 5 of Chapter 1143 of the Statutes of 1982 is amended to read:

Sec. 5. Notwithstanding any other provision of law, the governing board of the Mendocino-Lake Community College District may continue to use until the completion of the permanent campus of Mendocino College, or until June 30, 1990, whichever occurs first, existing buildings leased by the district located at 1055 North State Street, Ukiah, California; 205 North Bush Street, Ukiah, California; 151 Laws Avenue, Ukiah, California; 798 North State Street, Ukiah, California; 1060 North State Street, Ukiah, California; 203 South Main Street, Ukiah, California; 966 Mazzoni Street, Ukiah, California; 195 Brush Street, Ukiah, California; 525 North Main Street, Lakeport, California; 11 Marin Street, Willits, California; 197 Franklin Street, Willits, California. During the period of use authorized by this section, the buildings shall not be subject to Article 7 (commencing with Section 81130) or Article 8 (commencing with Section 81160) of Chapter 1 of Part 49 of the Education Code.

SEC. 2. Section 6 of Chapter 1143 of the Statutes of 1982 is amended to read:

Sec. 6. Notwithstanding any other provision of law, the governing board of the Lake Tahoe Community College District may continue to use until June 30, 1990, existing buildings leased by the district

located at 970 Lodi Avenue, South Lake Tahoe, California; 980 Brockway, South Lake Tahoe, California; and 2659 Lake Tahoe Boulevard, South Lake Tahoe, California. During the period of use authorized by this section, the buildings shall not be subject to Article 7 (commencing with Section 81130) or Article 8 (commencing with Section 81160) of Chapter 1 of Part 49 of the Education Code.

SEC. 3. Notwithstanding any other provision of law, the governing board of the Saddleback Community College District may continue to lease and use until the acquisition of alternate facilities, or until June 30, 1990, whichever occurs first, the existing portable structures presently being used for the bookstore and student center at the North Campus of the Saddleback Community College District located at 5500 Irvine Center Drive, Irvine, California. During the period of use authorized by this section, the buildings shall not be subject to Article 7 (commencing with Section 81130) or Article 8 (commencing with Section 81160) of Chapter 1 of Part 49 of the Education Code.

SEC. 4. Notwithstanding Section 39227 of the Education Code, the governing board of the Ferndale Elementary School District may use, until June 30, 1990, an existing building at the Ferndale Elementary School which is a wood-frame structure and for which the district is seeking funds for repair. During the period of use authorized by this section, the building shall not be subject to Article 3 (commencing with Section 39140) or Article 6 (commencing with Section 39210) of Chapter 2 of Part 23 of the Education Code.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to continue school programs until new buildings for school use are constructed, it is necessary for this act to take effect immediately.

CHAPTER 283

An act to amend Sections 8045.8 and 8046 of the Fish and Game Code, relating to fish.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 8045.8 of the Fish and Game Code is amended to read:

8045.8. Every person operating under a license issued pursuant to this article shall, in addition to the license fee and the tax required under Section 8045, pay an additional privilege tax of eighty-seven

hundredths cent ($0.0087) for each pound or fraction thereof of herring for roe which is purchased, received, or taken by him. The moneys collected by the department pursuant to this section shall be expended for research and management activities to maintain and enhance the herring resource within the waters of the state.

This section shall remain in effect only until January 1, 1990, and as of that date, is repealed, unless a later enacted statute which is enacted before January 1, 1990, deletes or extends that date.

SEC. 2. Section 8046 of the Fish and Game Code is amended to read:

8046. Every person operating under a license issued pursuant to this article shall, in addition to the license fee and the tax required under Section 8045, pay an additional privilege tax of one cent ($0.01) for each pound, or fraction thereof, of thresher shark or bonito (mako) shark purchased, received, or taken by him or her. The moneys collected by the department pursuant to this section shall be expended solely for purposes of the study required by and the costs of administering Article 16 (commencing with Section 8560) of Chapter 2 of this part.

Collection of the privilege tax imposed by this section shall begin on October 1, 1980.

This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1988, deletes or extends that date.

CHAPTER 284

An act to add Section 1304 to the Penal Code, relating to bail.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 1304 is added to the Penal Code, to read:

1304. Any bail, or moneys or bonds deposited in lieu of bail, or any equity in real property as security in lieu of bail, or any agreement whereby the defendant is released on his or her own recognizance shall be exonerated two years from the effective date of the initial bond, provided that the court is informed in writing at least 60 days prior to 2 years after the initial bond of the fact that the bond is to be exonerated, or unless the court determines otherwise and informs the party executing the bail of the reasons that the bail is not exonerated.

CHAPTER 285

An act to amend Section 3074.3 of the Labor Code, relating to apprenticeship.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 3074.3 of the Labor Code is amended to read:

3074.3. In providing related and supplemental instruction pursuant to Section 3074, and notwithstanding any provisions of the Education Code, the Superintendent of Public Instruction and the Chancellor of the California Community Colleges shall recognize registration in an apprenticeship program approved by the Division of Apprenticeship Standards in the Department of Industrial Relations as an acceptable prerequisite to enrollment into such related and supplemental classes.

CHAPTER 286

An act to add Section 66451.6 to the Government Code, relating to mobilehome parks.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 66451.6 is added to the Government Code, to read:

66451.6. No fee shall be charged by a local agency as a condition to the approval of a tentative, final, or parcel map for a subdivision, or a division of land which is not a subdivision, which consists of the conversion of a mobilehome park to condominium or stock cooperative ownership interests, except regulatory fees charged for the issuance of a permit and those fees authorized by Section 66451.2.

CHAPTER 287

An act to amend Sections 5116, 5402, 5601, 5621, 5709, 5713, 5800, 5801, 5802, 5806, 6003, 6500, 6520, 6652, 6661, 6950, 7000, 7300, 7450, 7500, 7503, 7504, 7505, 7650, 8004, 8006, 8031, 8034, 8035, 8156, 8501, and 8502 of, to amend the heading of Article 3 (commencing with Section 7300) of Chapter 6 of, to amend and renumber Section 6460, to

amend the headings of Article 2 (commencing with Section 8050), Article 3 (commencing with Section 8150), Article 4 (commencing with Section 8200), Article 5 (commencing with Section 8225), and Article 6 (commencing with Section 8250) of Chapter 7 of Division 2 of, to add Sections 5205.5, 5606, 5613, 5614, 5615, 5616, 5617, 5618, 5655, and 7455 to, to add Article 10 (commencing with Section 7700) to Chapter 6 of Division 2 of, to repeal Sections 5125, 6506, and 7301 of, the Financial Code, and to amend Sections 11346.1 and 11346.2 of the Government Code, relating to financial institutions, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 5116 of the Financial Code is amended to read:

5116. "Savings account" means that part of the savings liability of an association that is credited to the holder of the account. A savings account may be referred to as a deposit. For the purposes of Article 4 (commencing with Section 6725) through Article 10 (commencing with Section 7000), inclusive, of Chapter 5 of this division, the term "savings account" includes shares, share accounts, and savings deposits of federal associations.

SEC. 1.5. Section 5125 of the Financial Code is repealed.

SEC. 2. Section 5205.5 is added to the Financial Code, to read:

5205.5. (a) All references in this division to financial statements, balance sheets, income statements, and statements of changes in financial position of an association and all references to assets, liabilities, earnings, retained earnings, shareholders' equity, and similar accounting items of an association, mean financial statements or items prepared or determined in conformity with generally accepted accounting principles then applicable which fairly present in conformity with generally accepted accounting principles the matters that they purport to present, subject to any specific accounting treatment required by any provision of this division, or by any regulation or order issued under this division.

(b) The commissioner may, by regulation or order, require that any financial statement or accounting item of an association be prepared or determined in a manner other than in conformity with generally accepted accounting principles if it is found that the other manner of preparation or determination is necessary or appropriate to carry out the purposes or provisions of this division.

SEC. 3. Section 5402 of the Financial Code is amended to read:

5402. (a) The commissioner may impose conditions in an organizing permit concerning the deposit in escrow of funds collected pursuant to the permit, the manner of expenditure of the funds, and any other conditions deemed reasonable and necessary or

advisable for the protection of the public, the subscribers, and the organizers.

(b) Contributions of organization expenses may be repaid to organizers on a pro rata basis by the association in amounts not to exceed its net income from operations after provision for statutory reserves.

SEC. 3.5. Section 5601 of the Financial Code is amended to read:

5601. Before a certificate of authority is issued, the capital of the association shall be paid into the association and, in the case of stock, shall be the sum of the par or initially stated value of all shares of capital stock, plus the initial paid-in surplus. The minimum required capital shall be established by regulations, or instructions, issued by the commissioner.

SEC. 4. Section 5606 is added to the Financial Code, to read:

5606. (a) An association or foreign association, as defined in Section 8500, prior to doing business in this state, shall obtain and maintain insurance of its savings accounts by either (1) the Federal Savings and Loan Insurance Corporation; or (2) any agency of this state established for the purpose of insuring savings accounts of associations.

(b) Any contract of insurance obtained under paragraph (2) of subdivision (a) shall be written upon substantially the same basis as to form, amount, coverage, maturity, voluntary and involuntary termination and other provisions as the insurance contract provided at that time by the Federal Savings and Loan Insurance Corporation and shall comply with any further requirements that the commissioner may establish by regulation.

(c) The commissioner may enforce any statutes or regulations of the Federal Savings and Loan Insurance Corporation, (12 U.S.C. Sec. 1724 et seq. and 12 C.F.R. Sec. 561 et seq.) as these statutes and regulations apply to associations.

SEC. 5. Section 5613 is added to the Financial Code, to read:

5613. No association shall sell, except upon a sale for a delinquent assessment made in accordance with the provisions of the General Corporation Law, or offer for sale, or take subscriptions for, or issue any of its stock, until the association has applied for and obtained from the commissioner a permit authorizing it to sell capital stock.

SEC. 6. Section 5614 is added to the Financial Code, to read:

5614. No issued and outstanding stock of an association shall be sold or offered for sale to the public, nor shall subscriptions be solicited or taken for those sales, until the association or the selling stockholders have applied for and obtained from the commissioner a permit authorizing the sale of the capital stock.

This section shall not apply to an offering involving less than 10 percent of the issued and outstanding capital stock of an association and less than five hundred thousand dollars ($500,000), nor to an offering made under a registration statement filed under the Securities Act of 1933.

SEC. 7. Section 5615 is added to the Financial Code, to read:

5615. An application for a permit to sell capital stock shall be in writing, verified as provided in the Code of Civil Procedure for the verification of pleadings, and shall be filed in the office of the commissioner by the association or the selling stockholders. The application shall include the following:

(a) Regarding the association.

(1) The names and addresses of its officers.

(2) The location of its office.

(3) A balance sheet or statement of its financial condition as of a date within 90 days of the filing date.

(4) A copy of all minutes of any proceedings of its directors, shareholders, or stockholders relating to or affecting the issue of such stock.

(b) Regarding the offering.

(1) A brief description of the method by which the stock is to be offered for sale, including the offering price and the underwriting commissions and expense, if any.

(2) A copy of a prospectus or advertisement or other description of the stock prepared for distribution or publication in accordance with requirements prescribed by the commissioner.

(3) A copy of any contract concerning the sale of the stock.

(4) With respect to any permit issued pursuant to Section 5614, the names and addresses of the selling stockholders and of the officers of any selling corporation and the partners of any selling partnership.

(c) Such additional information as the commissioner may require.

SEC. 8. Section 5616 is added to the Financial Code, to read:

5616. Upon the filing of the application for a permit to sell capital stock, the commissioner shall examine the application and other papers and documents filed therewith, and he or she may make a detailed examination, audit, and investigation of the association and its affairs. If the commissioner finds that the proposed plan for the issue and sale of such stock is fair, just, and equitable the commissioner shall issue to the applicant a permit authorizing it to issue and dispose of its stock in such amounts and for such considerations and upon such terms and conditions as the commissioner may provide in the permit. If the commissioner does not so find, the commissioner shall deny the application and notify the applicant in writing of his or her decision.

SEC. 9. Section 5617 is added to the Financial Code, to read:

5617. Every permit to sell capital stock shall recite in bold type that the issuance thereof is permissive only and does not constitute a recommendation or endorsement of the stock permitted to be issued.

SEC. 10. Section 5618 is added to the Financial Code, to read:

5618. The commissioner may amend, alter, or revoke any permit issued by the commissioner, or temporarily suspend the rights of the association under such permit.

SEC. 11. Section 5621 of the Financial Code is amended to read:

5621. With the approval of the commissioner, a mutual association may amend its articles of incorporation to authorize the issuance of stock and may issue stock. Any amendment to the articles of incorporation and bylaws of an association which for the first time authorizes it to issue stock must be approved by the vote or written assent of a majority of the total votes of members outstanding, except that such an amendment shall require approval only of the commissioner and board of directors of an association if the commissioner finds that grounds exist for the appointment of a conservator for the association pursuant to subdivision (a) of Section 8225. An amendment to the articles of incorporation of an association pursuant to this section may include provisions with respect to the surplus, reserves, and undivided profits of such association and in such case the surplus, reserves, and undivided profits shall be retained and disposed of in accordance with such provisions.

SEC. 12. Section 5655 is added to the Financial Code, to read:

5655. No association shall advertise or hold itself out to the public as a bank. This subdivision shall not be construed to prohibit an association which is a savings bank from advertising or holding itself out to the public as a "savings bank."

SEC. 12.5. Section 5709 of the Financial Code is amended to read:

5709. Any federal association may convert itself into an association by following the procedure set forth in Sections 5710 through 5718.

SEC. 12.7. Section 5713 of the Financial Code is amended to read:

5713. After a meeting as provided for in Section 5710, the federal association shall take or cause to be taken such action as shall make it an association in the manner prescribed and authorized by this division. The directors shall file the documents and take such proceedings as are required by this division in the case of the original incorporation of an association. No association incorporated by conversion from a federal association is required to comply with any of the provisions of law or any regulations promulgated by the commissioner relating to the minimum amounts of capital required to be subscribed in connection with the original incorporation of an association under this division.

SEC. 13. Section 5800 of the Financial Code is amended to read:

5800. For the purposes of this article the following words and phrases shall have the following meanings:

(a) "Savings and loan holding company" means any person that either, directly or indirectly, or acting in concert with one or more other persons:

(1) Owns, controls, or holds with power to vote, or holds proxies to vote:

(A) Where the association or savings and loan holding company has fewer than 500 stockholders or members, 25 percent or more of the outstanding voting capital stock of any capital stock association or savings and loan holding company or 25 percent or more of the total number of votes or proxies of votes eligible to be cast by the

members of any mutual association located in this state.

(B) Where the association or savings and loan holding company has at least 500 stockholders or members, 10 percent or more of the outstanding voting capital stock of any capital stock association or savings and loan holding company or 10 percent or more of the total number of votes or proxies of votes eligible to be cast by the members of any mutual association located in this state.

(2) Controls in any manner, whether by the holding of proxies or otherwise, the election of a majority of the directors of any association or savings and loan holding company located in this state.

(b) Notwithstanding subdivision (a), an individual or group of individuals shall not be deemed to be a "savings and loan holding company" solely because an individual or group of individuals solicits, holds, or votes proxies in an association if, at the time of receiving the proxies, the individual or group of individuals serve as directors of the association and solicited or received the proxies pursuant to authorization by the board of directors of the association.

(c) "Subsidiary" of a person means any person, except an individual that is directly or indirectly owned, controlled, or otherwise held by that person to the extent or in the manner described in the preceding subdivision.

(d) "Completed application" means an application to become a savings and loan holding company, as filed with the commissioner, together with any amendments by the applicant, additional information requested in writing by the commissioner, and accompanied by the applicable filing fee pursuant to Section 9001. If the additional required information is not received within 30 days of the date of the request, the commissioner may consider the application complete upon written notice to the applicant.

SEC. 14. Section 5801 of the Financial Code is amended to read:

5801. No person may become a savings and loan holding company unless the commissioner approves a completed application. The commissioner shall issue a decision on a completed application within 60 days of its filing, unless good cause is shown why a decision cannot be made within 60 days. The application shall be in a form prescribed by the commissioner, contain the following information and any additional information that the commissioner may determine by regulation to be necessary or appropriate to preserve the public interest, the integrity of the state's savings association system, and to protect the interests of savings account holders, borrowers, and stockholders resident in this state:

(a) The identity, experience, and financial and managerial resources of each acquiring person by whom or on whose behalf the application is made.

(b) The terms, conditions, and method of any proposed acquisition, including copies of all tender offers used or to be used in connection with any proposed acquisition of capital stock.

(c) The source, kind, and amount of the consideration used or to be used in making the acquisition, and, if any part of the

consideration has been or is to be borrowed or otherwise obtained for the purpose of making the acquisition, a description of the transaction and the names of all participating persons.

(d) Any plans or proposals that any acquiring person may have to liquidate or convert the association or savings and loan holding company, to sell its assets or merge it with any company, to change the number of its employees in this state or the terms and conditions of their employment, or to make any other substantial change in its business, corporate structure, management or employees upon becoming a holding company.

(e) The names of those officers and directors that the acquiring person proposes to install in any change of managements, and for each of those officers and directors a financial statement, a description of experience in savings association related matters, and a statement as to whether the officer or director ever has been found guilty of misrepresentation, fraud, or financial misdealings.

SEC. 14.5. Section 5802 of the Financial Code is amended to read:

5802. The commissioner shall within 60 days after the date of filing of a completed application, unless good cause is shown why approval could not be made within 60 days, approve the application with any conditions reasonably necessary or advisable in the public interest, or deny the application upon a finding of any of the following:

(a) The acquisition, under any federal or state law, would substantially lessen competition or would in any manner be in restraint of trade or would result in a monopoly, or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the savings association business in any part of the state unless the commissioner also finds that the anticompetitive effects of the proposed acquisition clearly are outweighed in the public interest by the probable effect of the acquisition in meeting the convenience and needs of the community that the association serves.

(b) The financial condition of any acquiring person might jeopardize the financial stability of the association or the savings and loan holding company sought to be acquired or might prejudice the interest of the savings account holders, borrowers, or stockholders of the association or is not in the public interest.

(c) The plan or proposal under which the acquiring person intends to liquidate the savings association or the savings and loan holding company, to sell its assets or to merge it with any person or association, or to make any other major change in its business or corporate structure or management, is not fair and reasonable to the association, its savings account holders, borrowers, or resident stockholders, or would tend to impair the integrity of the state's savings association system, or is not in the public interest.

(d) The competence, experience, integrity, or resources of any acquiring person does not indicate that approval would be in the interest of the association, its savings account holders, borrowers, or

resident stockholders or of the community that the association serves.

(e) The requirements of this article have not been met.

(f) The acquisition would violate state or federal law or the commissioner determines that approval is not in the public interest.

SEC. 14.6. Section 5806 of the Financial Code is amended to read:

5806. Each savings and loan holding company, which is a company, shall pay an initial and an annual registration fee of five hundred dollars ($500) if the registrant's association subsidiaries have total assets of up to one hundred million dollars ($100,000,000) or one thousand dollars ($1,000) if the subsidiaries have total assets of one hundred million dollars ($100,000,000) or more.

SEC. 14.7. Section 6003 of the Financial Code is amended to read:

6003. In the consideration of all questions requiring action by the members of a mutual association, each member shall be entitled to cast one vote for each one hundred dollars ($100), or fraction thereof, of the withdrawal value of his or her savings account or accounts. No member, however, shall be entitled to cast more than 1,000 votes nor shall votes be cumulated for the election of directors.

SEC. 15. Section 6460 of the Financial Code is amended and renumbered to read:

6458. (a) Any association may cause any or all records of the association to be copied or reproduced by any photostatic, photographic, or microfilming process that correctly and permanently copies, reproduces, or forms a medium for copying or reproducing the original record on a film or other durable material.

(b) Any copy or reproduction made under subdivision (a) shall be deemed to be an original record for all purposes and shall be treated as an original record in all courts or administrative agencies for the purpose of its admissibility in evidence.

(c) A facsimile, exemplification, or certified copy of any copy made pursuant to subdivision (a), or a reproduction produced from a film record, shall, for all purposes, be deemed a facsimile, exemplification, or certified copy of the original record.

SEC. 16. Section 6500 of the Financial Code is amended to read:

6500. (a) Each association incorporated pursuant to or operating under the provisions of this division shall have all the powers enumerated, authorized, and permitted by this division and other rights, privileges, and powers, and may engage in any activities singly or with others, that are incidental to or reasonably necessary or appropriate for the accomplishment of the objects and purposes of the association, as provided by this division. Among others, and except as otherwise limited by the provisions of this division, each association shall have the powers set out in this chapter. Associations shall be subject to the provisions of the General Corporation Law (Division 1 (commencing with Section 100) Title 1 of the Corporations Code) and shall also have all the powers and privileges provided in the General Corporation Law of this state to other corporations except those powers and privileges that are expressly

denied to associations in this division. If any provision of the General Corporation Law is inconsistent with any provision of this division, the provisions of this division shall prevail.

(b) All references in this division to the General Corporation Law mean the General Corporation Law effective January 1, 1977, and any subsequent amendments thereto.

(c) In the application of Chapter 23 (commencing with Section 2300) of the Corporations Code to associations, the definition of effective date in Section 2300 is January 1, 1978.

SEC. 17. Section 6506 of the Financial Code is repealed.

SEC. 18. Section 6520 of the Financial Code is amended to read:

6520. An association or service corporation may act as an agent for others except that an association may not act as an insurer or transact insurance as agent for an insurer. Any savings and loan association holding company or any service corporation that acts as an agent of an insurer shall conform to the requirements of Section 7455 and Section 770.1 of the Insurance Code.

SEC. 19. Section 6652 of the Financial Code is amended to read:

6652. (a) Upon the filing with an association by the savings account holder of record as shown by the books of the association, or by the holder's legal representative, of an affidavit to the effect that the evidence of account, if any, has been lost or destroyed, and that the account has not been pledged or assigned in whole or in part, the association shall issue a new evidence of account, if applicable, in the name of the holder of record.

(b) The new evidence of account may state that it is issued in lieu of the one lost or destroyed and that the association shall not be liable for the loss or destruction of the original evidence of account.

(c) The association may require an indemnification or a bond in an amount it deems sufficient to indemnify the association against any loss which might result from the issuance of a new evidence of account under this section.

SEC. 20. Section 6661 of the Financial Code is amended to read:

6661. Notice to an association or federal association of an adverse claim to a savings account of, or to personal property held for the account of, any person shall be disregarded, and the association or federal association, notwithstanding the notice, shall honor withdrawal applications and shall pay withdrawals and interest to the person or persons to whose credit the account stands or shall deliver the property to or upon the order of the person for whose account the property is held, without any liability on the part of the association or federal association; subject, however, to the exceptions provided in subdivisions (a) and (b):

(a) If an adverse claimant delivers to the association or federal association at the office at which the account is carried or the property held an affidavit of the claimant stating that of the claimant's own knowledge the person to whose credit the deposit stands or for whose account the property is held is a fiduciary for the adverse claimant and that the claimant has reason to believe the

fiduciary is about to misappropriate the account or the property, and stating the facts upon which the claim of fiduciary relationship and the belief are founded, the association or federal association shall refuse to pay withdrawals or interest on the account and shall refuse to deliver the property for a period of not more than three court days (including the day of delivery) from the date that the association or federal association received the adverse claimant's affidavit, without liability on its part and without liability for the sufficiency or truth of the facts alleged in the affidavit.

(b) If at any time, either before, after, or in the absence of the filing of an affidavit by the adverse claimant, the adverse claimant procures and serves upon the association or federal association at the office at which the account is carried or the property held a restraining order, injunction, or other appropriate order against the association or federal association from a court of competent jurisdiction in an action in which the adverse claimant and all persons in whose names the account stands or for whose account the property is held are the parties, the association or federal association shall comply with the order or injunction, without liability on its part.

(c) The provisions of this section shall be applicable even though the name of the person appearing on the books to whose credit the account stands or for whose account the property is held is modified by a qualifying or descriptive term such as "agent," "trustee," or other word or phrase indicating that the person may hold the account or property in a fiduciary capacity.

SEC. 21. Section 6950 of the Financial Code is amended to read:

6950. (a) When a savings account is held in any association or federal association by a person who dies while a resident of another state or country, the account, together with additions and interest, or any part of it, shall be exempt from any taxation otherwise imposed by this state and may be paid to the administrator or executor appointed in the state or country where the account holder resided at the time of death or other claimant under the Probate Code, provided the administration, executor or other claimant has furnished the association or federal association with all of the documentation required under applicable provisions of the Probate Code and evidence of ownership of the account, if any, issued under Section 6652.

(b) Upon payment or delivery to the administrator, executor, or other claimant after receipt of the documents specified in subdivision (a), the association or federal association is released and discharged to the same extent as if the payment or delivery had been made to a legally qualified resident executor or administrator, and is not required to account for the application or disposition of the property.

SEC. 22. Section 7000 of the Financial Code is amended to read:

7000. (a) Administrators, executors, custodians, conservators, guardians, trustees, and other fiduciaries, insurance companies, business and manufacturing companies, banks, trust companies,

credit unions, and other types of similar financial organizations, charitable, educational, eleemosynary and public corporations, funds and organizations, and municipalities and other public corporations and bodies, and public officials are specifically authorized and empowered to invest funds held by them, without any order of any court, in savings accounts of associations and federal associations and the investments are legal investments for those funds.

(b) No association shall have on deposit at any one time funds of the State of California, of the cities, counties, and other political subdivisions of the state, and of the public corporations and districts of the state, that, in the aggregate, exceed in amount 400 percent of its statutory net worth. The amount of funds on deposit secured by surety bonds shall not at any time, in the aggregate, exceed 100 percent of statutory net worth.

(c) An association or federal association may act as a depositary or fiscal agent for the holding or handling of public funds notwithstanding the fact that a member of the legislative body or an officer or employee of the depositor is an officer, employee, or stockholder of the association or federal association, or of a savings and loan holding company or service corporation of the association or federal association.

(d) Under this section a member of a legislative body, or an officer or employee shall not be deemed "interested in any contract" as that phrase is used in Section 1090 of the Government Code, if that person's sole interest is the fact that the person is an officer, employee, or stockholder of the association or federal association selected to act as depositary, paying agent, or fiscal agent or of its savings and loan holding company or service corporation.

(e) An officer or employee of a local public agency shall be deemed to have only a "remote interest" in a contract, as that term is used in Section 1091 of the Government Code, where the contract is entered into without competitive bidding under a procedure established by law, if the sole interest is that of an officer, director, or employee, of an association or federal association or savings and loan holding company or service corporation of the association or federal association with which a party to the contract has the relationship of borrower or depositor, debtor, or creditor, and if the conditions of subdivision (a) of Section 1091 of the Government Code are met.

SEC. 23. The heading of Article 3 (commencing with Section 7300) of Chapter 6 of Division 2 is amended to read:

Article 3. Investment in Business Property

SEC. 24. Section 7300 of the Financial Code is amended to read:

7300. (a) Each association shall have power to invest in real property, tangible personal property and interests in real property for the conduct of the business of the association, or its service corporation, which power shall include the ownership of stock of a

wholly owned subsidiary corporation having as its exclusive activity the ownership and management of the property or interests.

(b) As used in this section, the term "real property" includes structures or buildings located on land owned in fee or held under a lease or sublease by the association with an unexpired term, including extensions or renewals that are automatically effective or may be exercised at the association's option, of 25 years at the date of execution by the association of the lease or sublease.

SEC. 25. Section 7301 of the Financial Code is repealed.

SEC. 26. Section 7450 of the Financial Code is amended to read:

7450. (a) An association may make any loan authorized by this division, but the association shall first determine that the type, amount, purpose, and repayment provisions of the loan in relation to the borrower's resources and credit standing support the reasonable belief that the loan will be financially sound and will be repaid according to its terms, and that the loan is not otherwise unlawful.

(b) Subject to any regulations of the commissioner, an association may make loans to any director or officer or to any parent or subsidiary.

SEC. 27. Section 7455 is added to the Financial Code, to read:

7455. No association or director, officer, or employee of an association shall require, as a condition to the granting of any loan or the extension of any other service by the association, that the borrower or any other person undertake a contract of insurance with any specific company, agency, or individual.

SEC. 28. Section 7500 of the Financial Code is amended to read:

7500. (a) Subject to limitations, if any, within this chapter, an association may originate, invest in, sell, purchase, service, participate, or otherwise deal in (including brokerage or warehousing) loans made on the security of residential or nonresidential real estate, or interests in such loans.

(b) No investment in a real estate loan shall be made until a qualified person or persons approved by the board of directors shall have made a physical inspection and submitted a signed appraisal of the value of the real estate securing the loan, or in the case of a purchased loan. have reviewed and approved the appraisal report in support of the loan.

SEC. 29. Section 7503 of the Financial Code is amended to read:

7503. Except as specified by the loan contract or by Section 2954.8 of the Civil Code, an association shall have no obligation to pay interest to the borrower upon funds credited to an impound, trust, or other type of account for payment of taxes, insurance, or other charges relating to the property, or to invest them for the benefit of the borrower, unless the funds have been placed in an interest bearing savings account under the terms of the loan contract.

SEC. 30. Section 7504 of the Financial Code is amended to read:

7504. Notwithstanding any other provision of law, an association may adjust the interest rate, payment, balance, or term-to-maturity on any loan secured by real property as authorized by the loan

contract, subject to the limitations of subdivision (b) and Section 341 of P.L. 97-320 (H.R. 6267, the Garn-St. Germain Depository Institutions Act of 1982).

(a) For the purposes of this section:

(1) "Fully amortized loan" means a loan in which, at inception of the loan, the entire principal balance, together with accrued interest, shall be payable with the scheduled term of the loan in substantially equal installments (excepting the last payment, which may be smaller than a regular scheduled payment).

(2) "Home loans" means loans made on the security of one- to four-unit residential dwellings (including condominiums and cooperatives), combinations of such dwellings and business property (where no more than 20 percent of the total appraised value of the real estate is attributable to the business use), farm residences and combinations of farm residences and commercial farm real property.

(3) "Nonamortized loan" means a loan in which none of the principal balance shall be payable prior to the maturity of the loan.

(4) "Open end line of credit" means a loan plan in which the association reasonably contemplates repeated transactions; the association may impose interest from time to time on the unpaid principal of the loan plan, and the amount of credit that may be extended to the borrower during the term of the loan plan (up to any limit set by the association) is generally made available to the extent that any outstanding principal balance is repaid.

(5) "Partially amortized loan" means a loan in which some but not all of the principal balance, together with accrued interest, shall be payable prior to the maturity of the loan.

(6) "Reverse annuity mortgage" means an instrument which provides for periodic payments to be made to a homeowner based on accumulated equity. The payments are made monthly directly by the association, or are made through the purchase of an annuity from an insurance company. The loan becomes due on a specified date after disbursement of the entire principal amount of the loan or when a specified event occurs, such as sale of the property or death of the borrower. The interest rate on this instrument may be fixed, or may be adjusted periodically as provided by this section.

(b) Adjustments to the interest rate, payment, balance, or term-to-maturity on home loans shall be subject to the limitations of this subdivision.

(1) The loan term shall not exceed 40 years, with interest payable at least semiannually, except as expressly authorized by this section.

(2) The loan balance for other than nonamortized and open end line of credit loans shall be repayable in at least semiannual installments; provided, that loans on the security of farm residences and combinations of farm residences and commercial farm real property may be repayable in annual installments.

(3) The loan may be fully amortized, partially amortized, nonamortized, a reverse annuity mortgage, or an open end line of credit loan. The loan contract may provide for the deferral of

principal and capitalization of a portion of interest, or of all interest, in the case of loans to natural persons secured by borrower-occupied real property and on which periodic advances are being made.

(4) (A) At origination, the loan-to-value ratio may not exceed the maximum permitted for that class of loans, as determined by the association's board of directors (but not more than 100 percent). During the term of the loan, the loan-to-value ratio may increase above the maximum percentage otherwise permissible if the increase results from an adjustment described in paragraph (3) or (5). The commissioner shall assume continued compliance with applicable loan-to-value limitations where the original loan-to-value ratio met the requirements of this paragraph, but in no event may the loan balance exceed 125 percent of the original appraised value of the security property during the term of the loan unless pursuant to clause (i) of subparagraph (B) of paragraph (5) of subdivision (b) or unless the loan contract provides that the payment shall be adjusted at least once every five years, beginning no later than the 10th year of the loan, to a level sufficient to amortize the loan at the then existing interest rate and loan balance over the remaining term of the loan.

(B) If, at maturity of a loan secured by a home that provides for adjustments pursuant to paragraph (3) or (5), the ratio of the loan balance to the current market value of the security property exceeds the maximum permissible amount, the association may offer to refinance the loan if (i) that portion of the unpaid balance of the refinanced loan that exceeds 80 percent of the property's value is insured or guaranteed by a mortgage insurance company that the Federal Home Loan Mortgage Corporation has determined to be a "qualified private insurer"; provided, however, that any unpaid loan balance secured by a pledged savings account shall not be required to be guaranteed or insured under this provision, and (ii) the loan contract for the refinanced loan requires that, in addition to full or partial amortization of the loan, the pro rata portion, based on the number of installments due annually, of estimated annual taxes and assessments on the security property be paid in advance to the association with each installment payment.

(5) For any home loan secured by borrower-occupied property, adjustments to the interest rate, payment, balance, or term-to-maturity shall comply with the limitations of this paragraph.

(A) Adjustments to the interest rate shall correspond directly to the movement of an interest rate index or of a national or regional index that measures the rate of inflation or the rate of change in consumer disposable income, which index is readily available to, and verifiable by, the borrower and is beyond the direct control of the association. An association also may increase the interest rate pursuant to a formula or schedule that specifies the amount of the increase and the time at which it may be made and which is set forth in the loan contract. An association, in its sole discretion, may decrease the interest rate at any time.

(B) Adjustments to the payment and the loan balance that do not reflect an interest rate adjustment may be made if: (i) the adjustments reflect a change in a national or regional index that measures the rate of inflation or the rate of change in consumer disposable income, is readily available to and verifiable by the borrower, and is beyond the direct control of the association; (ii) in the case of a payment adjustment, the adjustment reflects a change in the loan balance or is made pursuant to a formula, or to a schedule specifying the percentage or dollar change in the payment as set forth in the loan contract; or (iii) in the case of an open end line of credit loan, the adjustment reflects an advance taken by the borrower under the line of credit, or a payment made by the borrowers, that is permitted by the loan contract.

(C) Any combination of indices or a moving average of index values may be used as an index, and an association (i) may use more than one index during the term of a loan, if set forth in the loan contract and (ii) may provide for the selection of a substitute index by the association in the event the index being used is no longer available to or verifiable by the borrower or as otherwise provided in the loan contract.

(D) At least 30 but not more than 120 days prior to an adjustment to the interest rate, payment, balance, or term-to-maturity, and at least 90 but not more than 120 days prior to the expected maturity of a nonamortizing or partially amortizing loan (including a loan with a "call" provision pursuant to subparagraph (E) of paragraph (5) of subdivision (b)), an association shall provide the borrower with notice of the adjustment or of maturity. However, where the loan contract provides that changes in the interest rate shall occur more frequently than changes in the payment, the association need not notify the borrower of changes in the interest rate, or of changes in the loan balance or term resulting from an interest rate change, until notice of a payment adjustment is given. (For purposes of notification, a payment adjustment is considered to occur as of the date of the interest rate change immediately preceding the due date of the adjusted payment.) In addition, where the loan contract sets out a schedule of interest or payment adjustments, notice need not be given of interest or payment changes made pursuant to that schedule. In the case of an open end line of credit loan, notice of an adjustment to the payment or the balance need not be given if the adjustment reflects advances taken by the borrower under the line of credit, payments made by the borrower or interest rate changes and notice of a change in the interest rate permitted by the loan contract need not be given.

(E) The loan term may be adjusted only to reflect a change in the interest rate, the payment or the loan balance. A loan contract may provide an association with the right to call the loan due and payable either after a specified period of time has elapsed following the date of the loan contract or as specified in a reverse annuity mortgage.

(6) Not later than three business days following receipt of a

written application an association shall disclose to each applicant for a home loan made pursuant to the provisions of this section and which is secured by property occupied by the borrower the information specified by this paragraph. These disclosures shall be provided for all such loans that are directly originated by the association, for loans purchased from an affiliate (as defined in 12 C.F.R., Sec. 583.15), and for loans purchased from an unaffiliated entity pursuant to a written agreement to purchase loans not yet originated. The disclosures shall be in one or more documents other than the loan documents and shall be in plain language. The purpose of this disclosure requirement is to insure full understanding of the operation of the loan for which the individual is applying. The disclosures do not constitute a commitment on the part of an association to make a loan to the applicant. The disclosure material provided to an applicant shall include at least all of the following information as is relevant to the type of loan being offered:

(A) Whether the loan contract contains a due-on-sale clause and, if so, what rights the association has under the clause.

(B) A statement about whether the loan contract authorizes the imposition of a late charge or a prepayment charge and, if so, the amount of the charge or the manner in which it is to be determined. If the amount of the charge may vary over the term of the loan, the association shall indicate the approximate minimum and maximum amounts that may be imposed for a loan of the same type and with an initial balance comparable to that of the borrower.

(C) If the loan contract provides for impound payments relating to the security property, a statement explaining the purpose of requiring impound payments, how the amount of the impound payment is established, and the rights of the association if the borrower fails to pay the impound payments.

(D) The term-to-maturity, if known or the manner in which the term will be established.

(E) The initial interest rate, if known, or the manner in which the initial interest rate will be established.

(F) The amount of the initial payment, if known, and an explanation of how the amount of the payment is determined by reference to the initial loan balance, the interest rate, and the term over which the balance is scheduled to be repaid.

(G) If the interest rate, the payment, the loan balance, or the term-to-maturity may be adjusted, a full explanation of how the adjustments may be made, including identification of the index or indices to be used, and how index values may be obtained by the borrower, and how the adjustment of one item may affect the others.

(H) What information will be contained in each notice of an adjustment and, in the case of a nonamortized or partially amortized loan (including a loan giving the association the right to call the loan due and payable after a specified period of time has elapsed following the date of the loan contract or as specified in a reverse annuity mortgage), in the notice of maturity, and how far in advance of an

adjustment or maturity each notice will be provided.

(I) A description of all contractual contingencies, other than those arising from the borrower's breach or nonperformance of an obligation under the loan contract, under which the loan may become due or which may result in a forced sale of the home.

(J) In the case of a nonamortized or partially amortized loan, unless the association unconditionally obligates itself to refinance the loan, a statement that a large payment will be due at maturity of the loan and that the association is under no obligation to refinance the loan; if the loan gives the association the right to call the loan due and payable after a specified period of time has elapsed following the date of the loan contract or upon the occurrence of a specified event external to the loan, a statement that a large payment may be due at such time and that the association is not obligated to refinance the loan.

(K) An example of the interaction of all variable features of the loan over any period of time.

(7) For any home loan secured by borrower-occupied property and on which the interest rate may be adjusted pursuant to paragraph (5), an association may not impose a prepayment charge on any prepayment made within 90 days of a required notice of an interest rate increase with respect to the loan.

(8) If federal law or regulation governing home loans originated by federal savings and loan associations is repealed or revised in any manner which renders it other than technically or nonsubstantively more restrictive and limited in scope than the provisions of this section, as determined in a finding by the commissioner, then the provisions of this section shall also be so restricted, within one year from the date of the finding, by regulations adopted by the commissioner pursuant to Section 8054.

SEC. 30.5. Section 7505 of the Financial Code is amended to read:

7505. (a) Notwithstanding any other provision of law, an association may originate, invest in, sell, purchase, service, participate, or otherwise deal in loans (including construction loans) on the security of real property for primarily residential (other than a one- to four-unit dwelling) or nonresidential use, subject to the limitations of this section.

(b) An association's aggregate investment in real property loans for primarily nonresidential use under this section shall not exceed 40 percent of assets.

SEC. 31. Section 7650 of the Financial Code is amended to read:

7650. (a) Except as provided in subdivision (b), nothing in this division or the laws of this state shall be construed as denying to an association the right to invest its funds, operate a business, manage or deal in property, or take any other action over whatever period of time may reasonably be necessary to avoid loss on a loan or investment made or an obligation created in good faith.

(b) Associations which do not meet the requirements of Section 6475 shall not take any action pursuant to this section without first

obtaining approval, in writing, from the commissioner.

SEC. 32. Article 10 (commencing with Section 7700) is added to Chapter 6 of Division 2 of the Financial Code, to read:

Article 10. Leasing

7700. (a) Subject to regulations issued by the commissioner, an association may invest in tangible personal property, including without limitation, vehicles, mobilehomes, machinery, equipment, or furniture, and may hold the property for rental or sale.

(b) Investment under this section is limited to not in excess of 10 percent of the total assets of the association.

SEC. 33. Section 8004 of the Financial Code is amended to read:

8004. One confidential employee, who holds office at the pleasure of the commissioner, shall not be subject to any state civil service laws specified in Chapter 1 (commencing with Section 18500) of Part 2 of Division 5 of Title 2 of the Government Code.

SEC. 34. Section 8006 of the Financial Code is amended to read:

8006. The commissioner may require at any time, of any deputy, examiner, or other employee of the department, an official bond in an amount that the commissioner deems necessary. The premiums for these bonds shall be an expense of the department.

SEC. 35. Section 8031 of the Financial Code is amended to read:

8031. The proportion of operating costs and expenses to be assessed against each association shall be determined and prescribed by the commissioner by regulation. The total amount assessed for all associations, together with any existing surplus, shall not exceed the amount of the budget for the ensuing fiscal year plus a reasonable reserve for contingencies.

SEC. 36. Section 8034 of the Financial Code is amended to read:

8034. (a) If a new domestic association is formed and licensed during a fiscal year, the initial assessment provided for by this article shall be computed on the same basis as if such new association had been a licensed association and assessed on or before the 20th day of June in the fiscal year preceding the initial assessment except that the initial assessment shall be based on the assets of the new association at the time of issuance of its certificate of authority and, except as provided in subdivision (b), the assessment shall be reduced, if the certificate of authority is not issued in July, by one-twelfth for each full month of the fiscal year which has expired at the time of issuance of the license and shall be payable in full on the date of issuance.

(b) In the levy and collection of an assessment under this article, no association shall be assessed for, or be permitted to pay less than five hundred dollars ($500) for the unexpired portion of the fiscal year in which the domestic association is formed.

SEC. 36.7. Section 8035 of the Financial Code is amended to read:

8035. If any domestic association proposes to acquire the assets of any federal association or any state or national bank by transfer,

conversion, or otherwise, the initial assessment provided for by this article shall be computed on the same basis as if the federal association or state or national bank had been an association and assessed on or before the 20th day of June in the fiscal year preceding the initial assessment, except that the initial assessment shall be based on the assets of the federal association or of the state or national bank, as shown by the institution's report to the Federal Home Loan Bank, the Superintendent of Banks, or the Comptroller of the Currency, respectively, next preceding the 20th day of June in the fiscal year preceding the initial assessment and the assessment shall be reduced, if the certificate of authority is not issued in July, by one-twelfth for each full month of the fiscal year which has expired at the time of the issuance of the certificate of authority and shall be payable in full on the date of issuance.

SEC. 37. The heading of Article 2 (commencing with Section 8050) of Chapter 7 of Division 2 of the Financial Code is amended and renumbered to read:

Article 3. General Supervisory Powers and Duties of Commissioner

SEC. 38. The heading of Article 3 (commencing with Section 8150) of Chapter 7 of Division 2 of the Financial Code is amended and renumbered to read:

Article 4. Reports and Examinations

SEC. 39. Section 8156 of the Financial Code is amended to read:

8156. (a) Each association shall at least annually cause its books and accounts to be audited at its own expense by a certified or other public accountant or firm of certified or other public accountants selected by the association and approved by the commissioner.

(b) The annual audit shall cover the calendar year unless the association or commissioner fixes a different period pursuant to Section 6453.

SEC. 40. The heading of Article 4 (commencing with Section 8200) of Chapter 7 of Division 2 of the Financial Code is amended and renumbered to read:

Article 5. Enforcement

SEC. 41. The heading of Article 5 (commencing with Section 8225) of Chapter 7 of Division 2 of the Financial Code is amended and renumbered to read:

Article 6. Conservatorship

SEC. 42. The heading of Article 6 (commencing with Section 8250) of Chapter 7 of Division 2 of the Financial Code is amended

and renumbered to read:

Article 7. Receivership

SEC. 43. Section 8501 of the Financial Code is amended to read:

8501. No foreign association, unless it is a foreign association that was licensed to do so as of September 15, 1935, or an entity arising out of the rehabilitation, readjustment, consolidation, merger, or reorganization of any foreign association licensed to do so as of September 15, 1935, shall do any business of an association.

SEC. 44. Section 8502 of the Financial Code is amended to read:

8502. The commissioner shall obtain an injunction or take any other action necessary to prevent any foreign association from unlawfully doing any business of an association in this state.

SEC. 45. Section 11346.1 of the Government Code is amended to read:

11346.1. (a) The provisions of this article shall not apply to any regulation not required to be filed with the Secretary of State under this chapter, and only this section and Sections 11346.2 and 11349.6 shall apply to any regulation prescribing an agency's organization or procedure or to an emergency regulation adopted pursuant to subdivision (b), or to any regulation adopted under Section 8054 of the Financial Code.

(b) Except as provided in subdivision (c), if a state agency makes a finding that the adoption of a regulation or order of repeal is necessary for the immediate preservation of the public peace, health and safety or general welfare, the regulation or order of repeal may be adopted as an emergency regulation or order of repeal.

Any finding of an emergency shall include a written statement which contains the information required by paragraphs (2) to (6), inclusive, of subdivision (a) of Section 11346.5 and a description of the specific facts showing the need for immediate action. The enactment of an urgency statute shall not, in and of itself, constitute a need for immediate action.

The statement and the regulation or order of repeal shall be filed immediately with the Office of Administrative Law. The statement or order of repeal shall be published in the next issue of the California Administrative Notice Register, which shall be delivered to each Member of the Legislature and to each standing committee. The regulation shall be published in the next issue of the California Administrative Code Supplement.

(c) (1) Notwithstanding any other provision of the law, no board or commission shall have the power to adopt an emergency regulation to interpret, implement, or make specific provisions of the law relating to campaign disclosure except by a unanimous vote of all members of such board or commission present at the proceeding at which such regulation is adopted.

(2) Notwithstanding any other provision of law, no emergency regulation which is a building standard, as defined in Section 18909

of the Health and Safety Code, shall be filed, nor shall such building standard be effective, unless such building standards are submitted to the State Building Standards Commission, and are approved and filed pursuant to the provisions of Sections 18937 and 18938 of the Health and Safety Code.

(d) The emergency regulation or order of repeal shall become effective upon filing or upon any later date specified by the state agency in a written instrument filed with, or as a part of, the regulation or order of repeal.

(e) No regulation adopted as an emergency regulation shall remain in effect more than 120 days unless the adopting agency has complied with Sections 11346.4 to 11346.8, inclusive, prior to the adoption of the emergency regulation, or has, within the 120-day period, completed the regulation adoption process by formally adopting the emergency regulation or any amendments thereto, pursuant to the provisions of this chapter. The adopting agency, prior to the expiration of the 120-day period, shall transmit to the office for filing with the Secretary of State the adopted regulation, the rulemaking file, and a certification that either Sections 11346.4 to 11346.8, inclusive, were complied with prior to adoption, or that there was compliance with the provisions of this section within the 120-day period.

(f) In the event an emergency regulation was filed as an amendment to an existing regulation, upon failure of the adopting agency to comply with subdivision (e) as provided above, the regulation as it existed prior to such emergency amendment shall thereupon become effective and after notice to the adopting agency by the Office of Administrative Law shall be reprinted in the California Administrative Code in the place of such emergency amendment.

(g) In the event a regulation is originally adopted and filed as an emergency and the adopting agency fails to comply with subdivision (e), such failure shall constitute a repeal thereof and after notice to the adopting agency by the Office of Administrative Law, shall be deleted.

(h) A regulation originally adopted as an emergency regulation, or an emergency regulation substantially equivalent thereto which is readopted as an emergency regulation, shall not be filed with the Secretary of State as an emergency regulation except with the express prior approval of the Director of the Office of Administrative Law.

SEC. 46. Section 11346.2 of the Government Code is amended to read:

11346.2. A regulation or an order of repeal required to be filed with the Secretary of State shall become effective on the 30th day after the date of filing unless:

(a) Otherwise specifically provided by the statute pursuant to which the regulation or order of repeal was adopted, in which event it becomes effective on the day prescribed by such statute.

(b) It is a regulation prescribing an agency's organization or procedure, or a regulation adopted under Section 8054 of the Financial Code, in which event it shall become effective upon filing or upon any later date specified by the state agency in a written instrument filed with, or as part of, the regulation or order of repeal.

(c) A later date is prescribed by the state agency in a written instrument filed with, or as part of, the regulation or order of repeal.

(d) The agency makes a written request to the office demonstrating good cause for an earlier effective date, in which case the office may prescribe an earlier date.

SEC. 47. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Division 2 (commencing with Section 5000) of the Financial Code was repealed and added by Assembly Bill 1434 (Chapter 1091, 1983 Statutes) and Senate Bill 341 (Chapter 1176, 1983 Statutes) to completely revise that area of the law governing regulation of state savings associations. A substantial number of technical deficiencies or unintentional deletions have been determined to be in immediate need of correction in order to retain the necessary consistency in the law and appropriate regulatory authority of the Savings and Loan Commissioner. In order to preserve certainty in the operating environment of state savings associations as to the services they may offer to the public, and to preserve the commissioner's regulatory authority in several key areas, it is essential that this act take effect immediately.

CHAPTER 288

An act to amend Sections 224t, 224u, 224v, and 227 of the Civil Code, and to amend Section 2, and to repeal Section 12, of Chapter 1162 of the Statutes of 1983, relating to adoptions.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 224t of the Civil Code is amended to read:

224t. Notwithstanding any other provision of law, the State Department of Social Services or the licensed adoption agency which made the report required by Section 224s shall, upon the request of a person who has been adopted pursuant to this chapter and who has attained the age of 18 or who presents a certified copy of his or her marriage certificate, or upon the request of the adoptive parent of a person under the age of 18 who has been adopted pursuant to this chapter, provide that person with a copy of the medical report

required by Section 224s in the manner that the department shall prescribe by regulation. A person who is denied access to a medical report pursuant to the regulations adopted pursuant to this section may petition the superior court for review of the reasonableness of the department's or licensed adoption agency's decision. The names and addresses of any persons contained in the report shall be removed therefrom unless the person requesting the report has previously received the information pursuant to subdivision (b) of Section 227.

SEC. 2. Section 224u of the Civil Code is amended to read:

224u. Whenever the parental rights of a birth parent are terminated pursuant to Section 232 or 7017, the licensed agency responsible for the adoptive placement of the child or the State Department of Social Services shall send a written notice to the birth parent, if his or her address is known, which shall contain the following statement:

"You are encouraged to keep this agency informed of your current address in order to permit a response to any inquiry concerning medical or social history made by or on behalf of the child who was the subject of the court action terminating parental rights."

SEC. 3. Section 224v of the Civil Code is amended to read:

224v. (a) The State Department of Social Services shall adopt a statement to be presented to the birth parents at the time the relinquishment or consent to adoption is signed and to adoptive parents at the time of the home study which shall, in a clear and concise manner, in words calculated to assure the confidence of the birth parent in the integrity of the adoption process, communicate to the birth parent of a child that is the subject of an adoption petition all of the following facts:

(1) It is in the best interest of the child that the birth parent keep the department or the licensed adoption agency to whom the child was relinquished for adoption informed of any health problems that the parent develops that could affect the child.

(2) It is extremely important that the birth parent keep his or her address current with the department or the licensed adoption agency to whom the child was relinquished for adoption in order to permit a response to any inquiries to the department or licensed adoption agency concerning medical or social history.

(3) Section 227 of the Civil Code authorizes a person who has been adopted and who attains the age of 21 to petition the State Department of Social Services or the licensed adoption agency that joined in the petition for his or her adoption to obtain the name and address of his or her birth parent; consequently it is of the utmost importance that the birth parent indicate whether or not he or she wishes his or her name and address to be so disclosed by checking the appropriate box provided on the form.

(4) The relinquishment or consent will be filed in the office of the county clerk of the county in which the adoption takes place and that it is not open to inspection by any persons other than the parties to

the adoption proceedings, their attorneys, and the State Department of Social Services, except upon order of the judge of the superior court.

(5) The birth parent may change his or her decision as to whether or not he or she wishes his or her name and address disclosed, at any time, by sending a notarized letter to that effect, by registered mail, return receipt requested, to the State Department of Social Services or to the licensed adoption agency that joined in the petition for adoption.

(b) The State Department of Social Services shall adopt a form to be signed by the birth parents at the time the relinquishment or consent to adoption is signed which shall provide as follows:

"Section 227 of the Civil Code authorizes a person who has been adopted and who attains the age of 21 to petition the State Department of Social Services or the licensed adoption agency that joined in the petition for his or her adoption to obtain the name and address of his or her birth parent. Indicate by checking one of the boxes below whether or not you wish your name and address to be so disclosed:

☐ YES
☐ NO"
☐ UNCERTAIN AT THIS TIME; WILL NOTIFY AGENCY AT LATER DATE

SEC. 4. Section 227 of the Civil Code is amended to read:

227. (a) The person or persons desiring to adopt a child, and the child proposed to be adopted, shall appear before the court; however, if the adoptive parent is then commissioned or enlisted in the military service, or auxiliary thereof, of the United States, or of any of its allies, or in the American Red Cross, so that it is impossible or impracticable, because of the adoptive parent's absence from the State of California, or otherwise, for him or her to make an appearance in person, and the circumstances are established by satisfactory evidence, the appearance may be made for the adoptive parent by his or her counsel, commissioned and empowered in writing so to do. The power of attorney may be incorporated in the petition for adoption. The court shall examine all persons appearing before it pursuant to this section. The examination of each such person shall be conducted separately but within the physical presence of each such other person or persons unless the court, in its discretion, shall order otherwise. The party or parties adopting shall execute or acknowledge an agreement in writing that the child shall be treated in all respects as the lawful child of the party or parties. If satisfied that the interest of that child will be promoted by the adoption, the court may thereupon make and enter a decree of adoption of the child by the adopting parent or parents, and the child and the adopting parents shall thereupon and thereafter sustain toward each other the legal relationship of parent and child and have

all the rights and be subject to all the duties of that relation. In a case where the adopting parent is permitted to appear by counsel, the agreement may be executed and acknowledged by the counsel for the absent party, or may be executed by the absent party before a notary public, or any other person authorized to take acknowledgments including the persons authorized by Sections 1183 and 1183.5. In any case where the adoptive parent is permitted to appear by counsel, or otherwise, the court may, in its discretion, cause an examination of the adoptive parent, other interested party, or witness to be made upon deposition, as it deems necessary. The deposition shall be taken upon commission, as prescribed by the Code of Civil Procedure, and the expense thereof shall be borne by the petitioner. The petition, relinquishment, agreement, order, report to the court from any investigating agency, and any power of attorney and deposition shall be filed in the office of the county clerk and shall not be open to inspection by any other than the parties to the action and their attorneys and the State Department of Social Services, except upon the written authority of the judge of the superior court. A judge of the superior court shall not authorize anyone to inspect the petition relinquishment, agreement, order, report to the court from any investigating agency, or power of attorney or deposition or any portion of any such documents except in exceptional circumstances and for good cause approaching the necessitous. The petitioner may be required to pay the expenses for preparing the copies of the documents to be inspected.

Upon written request of any party to the action and upon the order of any judge of the superior court, the county clerk shall not provide any documents referred to in this section for inspection or copying to any other person, unless the name of the birth parents of the child or any information tending to identify the birth parents of the child is deleted from the documents or copies thereof.

Upon the request of the adoptive parents or the child, a county clerk may issue a certificate of adoption which states the date and place of adoption, the birthday of the child, the name of the adoptive parents, and the name which the child has taken. Unless the child has been adopted by a stepparent, the certificate shall not state the name of the birth parents of the child.

The provisions of this section permitting an adoptive parent, who is commissioned or enlisted in the military service, or auxiliary thereof, of the United States, or of any of it allies, or in the American Red Cross, to make an appearance through his or her counsel, commissioned and empowered in writing to do so, are equally applicable to the spouse of an adoptive parent who resides with the adoptive parent outside of this state.

Where, pursuant to this section, neither adoptive parent need appear before the court, the child proposed to be adopted need not appear. If the law otherwise requires that the child execute any document during the course of the hearing, the child may do so by and through counsel. Where none of the parties appear, no order of

adoption shall be made by the court until after a report has been filed with the court pursuant to Section 226.6.

(b) The State Department of Social Services or a licensed adoption agency shall, (1) upon request of a person who has been adopted pursuant to this chapter and who has attained the age of 21, disclose the identity of the birth parent or parents of the person and the most current address of the birth parent or parents as shown in the records of the department or licensed adoption agency, if the birth parent or parents have indicated consent to the disclosure in writing; and (2) upon request of the birth parent of a person who has been adopted pursuant to this chapter and who has attained the age of 21, disclose the adopted name of the adoptee and his or her most current address as shown in the records of the department or licensed adoption agency if the adult adoptee has indicated in writing, pursuant to the registration program developed by the State Department of Social Services, that he or she wishes his or her name and address to be disclosed. The department or licensed adoption agency also shall disclose the identity of a birth parent and his or her most current address as shown in the records of the department or licensed adoption agency upon the request of the adoptive parent of a person under the age of 21 who has been adopted pursuant to this chapter, upon the finding by the department or licensed adoption agency that a medical necessity or other extraordinary circumstances justify the disclosure.

The form of the request required by this section shall be prescribed by the State Department of Social Services, shall provide for an affidavit to be executed by the requester that to the best of his or her knowledge he or she is an adoptee; that he or she is the birth parent of an adoptee; or that he or she is the adoptive parent of an adoptee. The department may adopt regulations requiring such additional means of identification from a requester as it deems necessary. The request shall advise an adoptee that if he or she so consents, his or her adoptive parents will be notified of the filing of the request prior to the release of the name and address of his or her birth parent.

The provisions of this subdivision shall not be applicable where a birth parent or an adoptee has indicated that he or she does not wish his or her name or address to be disclosed.

The department shall either respond to a request for information pursuant to this section or forward the request to a licensed adoption agency pursuant to subdivision (c) within 20 working days of its receipt of the request.

The provisions of this subdivision shall apply only to those adoptions in which the relinquishment for or consent to adoption was signed on or after January 1, 1984.

(c) The department may forward requests for information pursuant to this section to any licensed adoption agency that was a party to the adoption.

(d) Notwithstanding any other provision of law, the department

shall announce the availability of the present method of arranging contact among an adult adoptee, his or her birth parent, and any living adoptive parent authorized by Section 230.6 utilizing a means of communication appropriate to effectively inform the public.

(e) The State Department of Social Services or licensed adoption agency may charge a reasonable fee, in an amount established by the department by regulation to cover the costs of processing requests for information generated pursuant to subdivision (b). The revenue resulting from the fees so charged shall be utilized by the department or licensed adoption agency to increase existing staff as needed to process these requests. Fees received by the department shall be deposited in the Adoption Information Fund. This revenue shall be in addition to any other funds appropriated in support of the state adoption program.

The department or licensed adoption agency shall waive the fees authorized by this section for any person who is receiving public assistance pursuant to Part 3 (commencing with Section 11000) of Division 9 of the Welfare and Institutions Code.

SEC. 5. Section 2 of Chapter 1162 of the Statutes of 1983 is amended to read:

Sec. 2. The Legislature finds and declares that once parental rights have been terminated and a child is legally free for adoption, all contacts between an adoptee and his or her birth parents, usually are permanently severed. When this occurs, often there is no effective way to reestablish contact because of cost problems, tracing difficulties, and the confidentiality of records.

In this regard, the Legislature recognizes that in order to provide adequate and timely medical care for an adoptee, an adopting parent needs complete medical background information on both the adoptee and the adoptee's birth parents, not only to secure timely and appropriate medical care for the adoptee but to make vital personal, health, and family decisions.

Furthermore, the Legislature also recognizes that as a result of the permanent severence of the relationship between the adoptee and his or her birth parents, the adoptee also may suffer substantial emotional or physical illness resulting from an inability to satisfy personal needs concerning his or her origins, self-identity, and family medical history.

Accordingly, it is the purpose of this act to insure that complete medical background information of both a routine and nonroutine nature, if available, with regard to both the adoptee and the adoptee's birth parents is transmitted to the adopting parents at the time the adoptee is placed for adoption and that the medical background information is also available to the adoptee when he or she reaches 18 years of age or is emancipated by reason of marriage. It is also the purpose of this act to establish a procedure whereby a birth parent may petition the State Department of Social Services for disclosure of the identity and last known address of his or her son or daughter who has been adopted and who has reached the age of 21;

whereby an adoptee who has attained the age of 21 may petition for the identity and last known address of his or her birth parent; and where the adoptive parent of an adoptee who is under the age of 21 may petition on behalf of the adoptee for the identity and last known address of the adoptee's birth parent, while providing safeguards respecting the right of privacy of all of such persons.

It is the intention of the Legislature that the costs incurred by the State Department of Social Services and licensed adoption agencies pursuant to programs established by this act under subdivision (b) of Section 227 of the Civil Code shall be funded by fees charged by those agencies as established by the State Department of Social Services by regulation.

SEC. 6. Section 12 of Chapter 1162 of the Statutes of 1983 is repealed.

CHAPTER 289

An act to amend Section 1633 of the Business and Professions Code, relating to dentistry.

[Approved by Governor July 5, 1984 Filed with Secretary of State July 6, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 1633 of the Business and Professions Code is amended to read:

1633. When an applicant for a license has received a grading of 85 percent or above in any given subject, he or she shall be exempt from reexamination on that subject in subsequent examinations before the board within two years after the examination on which the applicant received the exemption.

In December 1987, the board shall arrange for an independent, objective evaluation to be performed regarding the dental licensure examination, the costs of which shall be paid for by the board.

The evaluation report shall be addressed to the Legislature and shall include at least the following items:

(a) A complete description of the board's grading policies and examination scoring procedures used for the years 1984 to 1987, inclusive.

(b) Using standard methods of test validation, an analysis of the degree to which the new licensure examination, established in 1984 by the board, is an improvement over the previous examination used by the board in 1982 and 1983.

(c) A statistical distribution of the percentage of candidates' scores in the different scoring categories used by the board from 1981 to 1987, inclusive, to grade the performance of candidates on the examination.

(d) A statistical comparison of the final scores and scores for each section of the examination for candidates taking the licensure examination for the years 1981 to 1987, inclusive.

(e) An analysis of the statistical validity and reliability of the licensure examination, and of the appropriateness of the scoring procedures and grading policies used by the board.

(f) A statistical analysis of the relationship, if any, between the candidates' final scores and section scores and the candidates' age, sex, ethnicity, and educational background for the years 1981 to 1987, inclusive.

CHAPTER 290

An act to amend Section 17920.7 of the Health and Safety Code, relating to building standards.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 17920.7 of the Health and Safety Code is amended to read:

17920.7. (a) Except as provided in Section 18930, the State Fire Marshal shall adopt, amend, and repeal fire safety rules and regulations, and, except as otherwise provided in this part, the State Fire Marshal shall enforce building standards published in the State Building Standards Code and those other rules and regulations adopted by the State Fire Marshal for the provision of structural fire safety and fire-resistant exits in multiple-story structures existing on January 1, 1975, let for human habitation including, and limited to, apartment houses, hotels, and motels wherein rooms used for sleeping are let above the ground floor. The State Fire Marshal shall adopt, amend, or repeal and shall submit building standards for approval pursuant to the provisions of Chapter 4 (commencing with Section 18935) of Part 2.5. The rules and regulations and building standards shall provide adequate safety to the occupants and the general public, and shall be consistent with the requirements contained in subdivisions (d), (e), (f), (g), (h), (i), (k), and (*l*) of Section 1215 of Chapter 12 of the appendix of the Uniform Building Code, 1979 edition, as adopted by the International Conference of Building Officials.

Except as provided in Section 18930, the department, with the written approval of the State Fire Marshal, may allow reasonable exceptions to subdivisions (e) and (g) of Section 1215 to permit the continued use of existing stairs and to subdivision (*l*) of Section 1215 to permit equivalent protection in lieu of occupancy separations. However, the exceptions shall not impair occupant safety and shall

be consistent with the legislative intent of this section.

The building standards adopted by the State Fire Marshal and submitted for approval pursuant to Chapter 4 (commencing with Section 18935) of Part 2.5 shall not require that interior stairs and vertical openings be enclosed in two-story buildings.

(b) Notwithstanding the provisions of subdivision (a), any city, county, or city and county may adopt building standards for structural fire safety and fire-resistant exits in structures subject to this section. However, those building standards shall be substantially equivalent in fire safety to the building standards published in the State Building Standards Code. Each city, county, or city and county adopting alternative standards shall submit a detailed statement, with supporting data, to the State Fire Marshal demonstrating the equivalency of the alternate standards to the state building standards and other regulations adopted by the State Fire Marshal. The State Fire Marshal shall make a finding as to the equivalency of alternate local standards to such requirements. It is the intention of the Legislature that the building standards adopted and published in the State Building Standards Code shall be consistent with the requirements for new construction contained in the Uniform Building Code, 1979 edition, as adopted by the International Conference of Building Officials, except as otherwise required by state or federal law.

(c) The provisions of this section shall not apply to any apartment house, hotel, or motel existing on May 14, 1979, having floors, as measured from the top of the floor surface, used for human occupancy located more than 75 feet above the lowest floor level having building access which is subject to the provisions of Chapter 3 (commencing with Section 13210) of Part 2 of Division 12 relating to high rise buildings existing on May 14, 1979.

(d) The enforcement agency shall make inspections to the extent necessary to identify the structures within its jurisdiction in violation of the rules and regulations adopted by the State Fire Marshal pursuant to this section, and all structures subject to the provisions of this section shall be conformed to the requirements contained in those regulations.

CHAPTER 291

An act to amend Sections 783, 1350, and 1351 of the Civil Code, relating to condominiums.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 783 of the Civil Code is amended to read:

783. A condominium is an estate in real property consisting of an undivided interest in common in a portion of a parcel of real property together with a separate interest in space, the boundaries of which are described on a recorded final map, parcel map, condominium plan or other document in sufficient detail to locate all boundaries thereof. The area within such boundaries may be filled with air, earth, or water or any combination thereof and need not be physically attached to land except by easements for access and, if necessary, support. The description of such space may refer to (i) boundaries described in the recorded final map, parcel map, condominium plan or other document; (ii) physical boundaries, either in existence, or to be constructed, such as walls, floors and ceilings of a structure or portion thereof; (iii) an entire structure containing one or more separate interests in space; or (iv) any combination thereof. The portion of the parcel of real property held in undivided interest may be all of the real property of an existing parcel or lot (except for the separate interests in space) or may include a particular three-dimensional portion thereof, the boundaries of which are described on a recorded final map, parcel map, condominium plan or other document. The area within the boundaries may be filled with air, earth, or water, or any combination thereof, and need not be physically attached to land except by easements for access and, if necessary, support. A condominium may include in addition a separate interest in other portions of such real property.

Such estate may, with respect to the duration of its enjoyment, be either (1) an estate of inheritance or perpetual estate, (2) an estate for life, (3) an estate for years, such as a leasehold or a subleasehold, or (4) any combination of the foregoing.

SEC. 2. Section 1350 of the Civil Code is amended to read:

1350. As used in this title unless the context otherwise requires:

1. "Condominium" means a condominium as defined in Section 783 of the Civil Code.

2. "Unit" means the elements of a condominium which are not owned in common with the owners of other condominiums in the project.

3. "Project" means the entire parcel of real property divided, or to be divided into condominiums, including all structures thereon.

4. "Common areas" means the entire project excepting all units therein granted or reserved.

5. "To divide" real property means to divide the ownership thereof by conveying one or more condominiums therein but less than the whole thereof.

6. "Condominium plan" means a document or instrument meeting the requirements of Section 1351.

SEC. 3. Section 1351 of the Civil Code is amended to read:

1351. The provisions of this chapter shall apply to real property divided or to be divided into condominiums only if there shall be recorded in the county in which such property lies a condominium plan consisting of (i) a description or survey map of the project which shall refer to or show sufficient monumentation on the ground to locate applicable boundaries, (ii) a three-dimensional description of such property (one or more dimensions of which may extend for an indefinite distance upwards or downwards in sufficient detail to identify the common areas and each separate interest in space), and (iii) a certificate consenting to the recordation of such plan pursuant to this chapter signed and acknowledged by the record owner of fee title to such property and, in the case of a condominium which will terminate upon the termination of an estate for years, by the lessor and lessee of such an estate for years, by all life tenants and remainder interests when such property is subject to a life estate and by either the trustee or the beneficiary of each recorded deed of trust, and the mortgagee of each recorded mortgage encumbering the property. Such condominium plan may be amended or revoked by a subsequently acknowledged recorded instrument executed by all the persons whose signatures would be required to record a condominium plan pursuant to this section. Until recordation of a revocation, the provisions of this chapter shall continue to apply to such property.

CHAPTER 292

An act to amend Section 25866 of the Health and Safety Code, relating to radiation.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 25866 of the Health and Safety Code is amended to read:

25866. (a) Any person who intentionally or through gross negligence violates any provision of this chapter, or any rule or regulation adopted pursuant thereto, or who fails or refuses to comply with a cease and desist order or other order of the department issued thereunder, which action causes a substantial danger to the health of others, shall be liable for a civil penalty not to exceed five thousand dollars ($5,000) for each separate violation or, for continuing intentional violations, for each day that violation continues.

(b) The remedies under this section are in addition to, and do not supersede or limit, any and all other remedies, civil or criminal.

CHAPTER 293

An act to add Sections 51006 and 51007 to the Education Code, relating to education.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 51006 is added to the Education Code, to read:

51006. The Legislature finds that the increasing integration of computers and computer technology into our economy has profound implications for our society, and equally important implications for state educational policy.

The Legislature also finds that the methods of distribution of computer resources in the public schools will have a substantial effect upon the state's ability to meet the economic, political, and social challenges of the new technological era. Without adequate and early exposure to a basic computer education and computer resources, many students may be placed at a significant disadvantage in their opportunities to secure success in academics and the job market in the future. As females compose 51 percent of the student population in the state's public elementary and secondary schools, and ethnic minorities constitute over one-third of that population, it is imperative that California adopt a policy to ensure equitable access to technological education programs.

SEC. 2. Section 51007 is added to the Education Code, to read:

51007. (a) It is the policy of the State of California that all students enrolled in the state's public elementary and secondary schools, regardless of race, creed, color, national origin, gender, physical disability, geographic location, or socioeconomic background, shall have equitable access to educational programs designed to strengthen technological skills, including, but not limited to, computer education programs.

(b) It is the intent of the Legislature that state appropriations for educational programs designed to strengthen technological skills, including, but not limited to, computer education programs, shall have the goal of ensuring equitable access to those programs for all students.

(c) It is the intent of the Legislature that this section shall not be construed to preclude funding of programs designed to serve certain categories of students as part of the state's efforts to target areas of high need.

CHAPTER 294

An act to add Section 2064.1 to the Business and Professions Code, relating to medicine.

[Approved by Governor July 5, 1984 Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 2064.1 is added to the Business and Professions Code, to read:

2064.1. Notwithstanding the provisions of Section 2064 or any other provisions of this chapter, a regularly matriculated student undertaking a course of professional instruction in a medical school approved by the American Osteopathic Association or the Board of Osteopathic Examiners is eligible for enrollment in elective clerkships or preceptorships in any medical school or clinical training program in this state.

CHAPTER 295

An act to amend Sections 37220 and 37227.5 of the Education Code, and to amend Sections 6700, 6701, and 19853 of the Government Code, relating to state holidays.

[Approved by Governor July 5, 1984 Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 37220 of the Education Code is amended to read:

37220. Except as otherwise provided, the public schools shall continue in session or close on specified holidays as follows:

(a) The public schools shall close on January 1st, the third Monday in January known as "Dr. Martin Luther King, Jr. Day," February 12th known as "Lincoln Day," the third Monday in February known as "Washington Day," the last Monday in May known as "Memorial Day," July 4th, the first Monday in September known as "Labor Day," November 11th known as "Veterans Day," that Thursday in November proclaimed by the President as "Thanksgiving Day," and December 25th. However, the governing board of a school district may elect to celebrate Veterans Day on the Friday or Monday of the week in which November 11th occurs.

(b) The Governor in appointing any other day for a public fast, thanksgiving, or holiday may provide whether the public schools shall close on the day. If the Governor does not provide whether the

public schools shall close, they shall continue in session on all special or limited holidays appointed by the Governor, but shall close on all other days appointed by the Governor for a public fast, thanksgiving, or holiday.

(c) The public schools shall close on every day appointed by the President as a public fast, thanksgiving, or holiday, unless it is a special or limited holiday.

(d) The public schools shall continue in session on all legal holidays other than those designated by or pursuant to this section and shall hold proper exercises commemorating the day.

(e) When any of the holidays on which the schools would be closed fall on Sunday, the public schools shall close on the Monday following.

(f) When any of the holidays on which the schools would be closed fall on Saturday, the public schools shall close on the preceding Friday, and that Friday shall be declared a state holiday.

(g) If any holiday on which the public schools are required to close pursuant to subdivision (a) occurs under federal law on a date different than the date specified in subdivision (a), the governing board of any school district may close the public schools of the district on the date recognized by federal law and maintain classes on the date specified in subdivision (a).

(h) Nothing in this section is to be interpreted as authorizing a school district governing board to maintain schools in its district for a lesser number of days during the school year than the minimum established by law.

SEC. 2. Section 37227.5 of the Education Code is amended to read:

37227.5. All public schools and educational institutions throughout the state shall hold, on the Friday before the third Monday in January of each year, suitable exercises commemorating, and directing attention to the history of, the civil rights movement in the United States, and particularly the role therein of Dr. Martin Luther King, Jr.

SEC. 3. Section 6700 of the Government Code is amended to read:

6700. The holidays in this state are:

(a) Every Sunday.

(b) January 1st.

(c) The third Monday in January, known as "Dr. Martin Luther King, Jr. Day."

(d) February 12th, known as "Lincoln Day."

(e) The third Monday in February.

(f) The last Monday in May.

(g) July 4th.

(h) First Monday in September.

(i) September 9th, known as "Admission Day."

(j) The second Monday in October, known as "Columbus Day."

(k) November 11th, known as "Veterans Day."

(*l*) December 25th.

(m) Good Friday from 12 noon until 3 p.m.

(n) Every day appointed by the President or Governor for a public fast, thanksgiving, or holiday.

Except for the Thursday in November appointed as Thanksgiving Day, this subdivision and subdivision (c) shall not apply to a city, county, or district unless made applicable by charter, or by ordinance or resolution of the governing body thereof.

If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Chapter 12 (commencing with Section 3560) of Division 4 of Title 1, the memorandum of understanding shall be controlling without further legislative action, except that if those provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

The board of supervisors of any county may, by ordinance or resolution, alter the date of any holiday designated in subdivision (c), (d), (e), (g), (h), (i), (j), or (k) applicable to the superior, municipal, and justice courts in that county. Provided, however, that any such altered holiday shall not be considered a holiday or a day on which a court is not in session for purposes of taking criminal defendants before a magistrate, as provided in Section 825 of the Penal Code.

SEC. 4. Section 6701 of the Government Code is amended to read:

6701. If January 1st, February 12th, July 4th, September 9th, November 11th, or December 25th falls upon a Sunday, the Monday following is a holiday. If November 11th falls upon a Saturday, the preceding Friday is a holiday.

If any holiday designated in Section 6700 falls on a Saturday, the board of supervisors of any county may by ordinance or resolution provide that an alternate day shall be a holiday for the employees of the county and the superior, municipal, and justice courts in the county.

SEC. 5. Section 19853 of the Government Code is amended to read:

19853. (a) Except as provided in subdivision (c), all employees shall be entitled to the following holidays: the first day of January, the third Monday in January, the 12th day of February, the third Monday in February, the last Monday in May, the fourth day of July, the first Monday in September, the ninth day of September, the second Monday in October, the 11th day of November, the 25th day of December, the day chosen by an employee pursuant to the provisions of Section 19854, and every day appointed by the Governor of this state for a public fast, thanksgiving, or holiday.

When a day herein listed falls on a Sunday, the following Monday shall be deemed to be the holiday in lieu of the day observed. If November 11th falls upon a Saturday, the preceding Friday shall be

deemed to be the holiday in lieu of the day observed. Any employee who may be required to work on any of the holidays herein mentioned, and who does work on any of these holidays, shall be entitled to be paid compensation or given compensating time off for that work within the meaning of this article. For the purpose of computing the number of hours worked, time during which an employee is excused from work because of holidays, sick leave, vacation, or compensating time off, shall be considered as time worked by the employee.

(b) If the provisions of this subdivision are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(c) Any employee, who is either excluded from the definition of state employee in subdivision (c) of Section 3513, or is a supervisory employee, as defined in Section 3522.1, or is a nonelected officer or employee of the executive branch of government who is not a member of the civil service, shall be entitled to the following holidays, with pay, in addition to any official state holiday appointed by the Governor:

(1) January 1, the third Monday in January, February 12, the third Monday in February, the last Monday in May, July 4, the first Monday in September, September 9, the second Monday in October, November 11, Thanksgiving Day, December 25, and any personal holiday chosen pursuant to Section 19854. The employer may require an employee to provide five working days' advance notice before taking any personal holiday.

(2) When November 11 falls on a Saturday, employees shall be entitled to the preceding Friday as a holiday with pay.

(3) When a holiday, other than November 11, falls on a Saturday, an employee shall be entitled to holiday credit. The holiday credit shall be accrued on the actual date of the holiday and shall be used within the same fiscal year.

(4) When a holiday falls on Sunday, employees shall be entitled to the following Monday as a holiday with pay.

(5) Employees who are required to work on a holiday shall be entitled to pay or compensating time off for this work in accordance with their classification's assigned workweek group.

CHAPTER 296

An act to amend Section 117.8 of the Code of Civil Procedure, relating to judgments.

[Approved by Governor July 5, 1984 Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 117.8 of the Code of Civil Procedure is amended to read:

117.8. (a) Except as hereinafter provided, the judgment shall be conclusive upon the plaintiff. If the plaintiff failed to appear and judgment against the plaintiff was entered, the plaintiff may file within 30 days after the clerk has mailed by first-class mail, notice of entry of judgment, a motion to vacate the judgment. Upon a showing of good cause, the court may grant the motion, and if all parties are present, and agree, may hear the matter without recalendaring. If the defendant is not present, the judge shall hear the motion in his or her absence. If the motion is granted, the judge or clerk shall reset the matter and notice it in accordance with Section 116.4.

(b) The defendant may appeal the judgment to the superior court in the county in which the matter was heard, provided that, if the defendant seeks any affirmative relief by way of a claim in the small claims court, he shall not have the right to appeal from the judgment on the claim.

(c) If the defendant did not appear at the hearing in the small claims court, as a prerequisite to appeal, the defendant shall have (1) filed, within 30 days after the clerk has mailed by first-class mail notice of entry of judgment, a motion in the small claims court to vacate the judgment, and (2) appeared at any hearing on the motion, or have submitted written justification for not appearing at such hearing and written evidence in support of the motion. In addition the court must have denied or failed to decide the motion within 60 days after it was filed.

(d) If the defendant appeared at the hearing in the small claims court on the motion to vacate the judgment, or has submitted a written justification for not appearing and written evidence in support of the motion, and the motion was denied or not decided within 60 days, the defendant may appeal to the superior court only as to the denial of the motion to vacate the judgment. If the superior court finds that the defendant's motion to vacate the judgment should have been granted, the superior court may hear the defendant's appeal without recalendaring the matter, provided the defendant has previously complied with the practice and procedure established pursuant to Section 117.10.

(e) If the defendant was not properly served pursuant to Section 116.4 and did not appear at the hearing in the small claims court, the

defendant may move to vacate the judgment within 180 days after he or she discovers or should have discovered that judgment was entered against him or her. Such motion shall be supported by declaration under penalty of perjury. The court may stay enforcement of the judgment pending a hearing and determination of the motion. The notice of motion and supporting declaration shall be on simple nontechnical forms approved or adopted by the Judicial Council.

CHAPTER 297

An act to add Article 5 (commencing with Section 1801) to Chapter 9 of Part 1 of Division 1 of the Public Utilities Code, relating to public utilities.

[Approved by Governor July 5, 1984 Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. It is the intent of the Legislature in enacting this act to confirm the authority of the Public Utilities Commission in proceedings commenced on or prior to December 31, 1984, to make awards to participants pursuant to existing rules and regulations of the commission and to require that for proceedings commenced on and after January 1, 1985, awards to customers shall be made pursuant to this act.

SEC. 2. Article 5 (commencing with Section 1801) is added to Chapter 9 of Part 1 of Division 1 of the Public Utilities Code, to read:

Article 5. Intervenor's Fees and Expenses

1801. The purpose of this article is to provide compensation for reasonable advocate's fees, reasonable expert witness fees, and other reasonable costs to public utility customers of participation or intervention in any hearing or proceeding of the commission for the purpose of modifying a rate or establishing a fact or rule that may influence a rate.

1802. As used in this article:

(a) "Compensation" means payment for all or part, as determined by the commission, of reasonable advocate's fees, reasonable expert witness fees, and other reasonable costs of participation or intervention in a hearing or proceeding for the purpose of modifying a rate or establishing a fact or rule that may influence a rate, and includes the fees and costs of obtaining judicial review, if any.

(b) "Expert witness fees" means recorded or billed costs incurred by a customer for an expert witness.

(c) "Other reasonable costs" means reasonable out-of-pocket

expenses incurred by a customer not exceeding 25 percent of the total or reasonable advocate's fees and expert witness fees awarded.

(d) "Party" means any interested party, respondent public utility, or commission staff in a hearing or proceeding for the purpose of modifying a rate or establishing a fact or rule that may influence a rate.

(e) "Customer" means any participant representing consumers, customers, or subscribers of any electrical, gas, telephone, telegraph, or water corporation subject to the jurisdiction of the commission; any representative who has been authorized by a customer; or any representative of a group or organization authorized pursuant to its articles of incorporation or bylaws to represent the interests of residential customers; but does not include any state, federal, or local government agency, any publicly owned public utility, or any entity which in the commission's opinion was established or formed by a local government entity for the purpose of participating in a commission proceeding.

(f) "Significant financial hardship" means both of the following:

(1) That, in the judgment of the commission, the customer has or represents an interest not otherwise adequately represented, representation of which is necessary for a fair determination of the proceeding.

(2) Either that the customer cannot afford to pay the costs of effective participation, including advocate's fees, expert witness fees and other reasonable costs of participation and the cost of obtaining judicial review, or that, in the case of a group or organization, the economic interest of the individual members of the group or organization is small in comparison to the costs of effective participation in the proceeding.

(g) "Substantial contribution" means that, in the judgment of the commission, the customer's presentation has substantially assisted the commission in the making of its order or decision because the order or decision has adopted in whole or in part one or more factual contentions, legal contentions, or specific policy or procedural recommendations presented by the customer.

1803. The commission may award reasonable advocate's fees, reasonable expert witness fees, and other reasonable costs of participation or intervention in a hearing or proceeding for the purpose of modifying a rate or establishing a fact or rule that may influence a rate to any customer who complies with Section 1804 and satisfies all of the following requirements:

(a) The customer's presentation makes a substantial contribution to the adoption, in whole or in part, of the commission's order or decision.

(b) Participation or intervention without an award of fees or costs imposes a significant financial hardship.

1804. (a) A customer seeking an award under this article shall file, within 30 days of the first prehearing conference or within 45 days after the close of the evidentiary record, and serve on all parties

to the hearing or proceeding, a request for finding of eligibility for compensation In cases where no prehearing conference is scheduled or where the commission anticipates the proceeding will take less than 30 days, the commission may determine the procedure to be used for filing these requests. The request shall include all of the following:

(1) A showing by the customer that participation in the hearing or proceeding would pose a significant financial hardship.

(2) A statement of issues the customer intends to raise in the hearing or proceeding.

(3) An estimate of the compensation that will be sought.

(4) A budget for the customer's presentation.

Within 30 days after service of the request for a finding of eligibility for compensation, the commission may direct its staff to file, and may permit any other interested party to file, a statement responding to the request, including a discussion of the appropriateness of a common legal representative.

(b) The commission shall thereafter issue a ruling determining whether the customer is eligible for an award of compensation. The ruling shall address whether a showing of significant financial hardship has been made and may include a discussion of whether it is determined appropriate to designate a common legal representative pursuant to Section 1805.

(c) Following issuance of a final order or decision by the commission in the hearing or proceeding, a customer who has been found by the commission, pursuant to subdivision (b), to be eligible for an award of compensation may file within 30 days a request for an award. The request shall include, at a minimum, a detailed description of services and expenditures and a description of the customer's substantial contribution to the hearing or proceeding. The request shall be served on all parties to the hearing or proceeding. Within 30 days after service of the request, the commission staff may file, and any other party may file, a response to the request.

(d) The commission may audit the records and books of the customer to the extent necessary to verify the basis for the award. The commission shall preserve the confidentiality of the customer's records in making its audit. Within 20 days after completion of the audit, if any, the commission shall direct that an audit report shall be prepared and filed. Any other party may file a response to the audit report within 20 days thereafter.

(e) Within 75 days after the filing of a request for compensation pursuant to subdivision (c), or within 50 days after the filing of an audit report, whichever occurs later, the commission shall issue a decision that determines whether or not the customer has made a substantial contribution to the final order or decision in the hearing or proceeding. If the commission finds that the customer requesting compensation has made a substantial contribution, the commission shall describe this substantial contribution and shall determine the

amount of compensation to be paid pursuant to Section 1806.

1805. The commission may, as specified in Section 1804, designate, if determined appropriate, a common legal representative. In cases where the commission designates a common legal representative, no compensation shall be awarded to customers with the same or similar interests who participate or intervene in the hearing or proceeding.

1806. The computation of compensation awarded pursuant to Section 1804 shall take into consideration the compensation paid to persons of comparable training and experience who offer similar services. The compensation awarded may not, in any case, exceed the market value of services paid by the commission or the public utility, whichever is greater, to persons of comparable training and experience who are offering similar services.

1807. Any award made under this article shall be paid by the public utility which is the subject of the hearing, investigation, or proceeding, as determined by the commission, within 30 days. Notwithstanding any other provision of law, any award paid by a public utility pursuant to this article shall be allowed by the commission as an expense for the purpose of establishing rates of the public utility by way of a dollar-for-dollar adjustment to rates imposed by the commission immediately on the determination of the amount of the award, so that the amount of the award shall be fully recovered within one year from the date of the award.

1808. The commission shall deny any award to any customer who attempts to delay or obstruct the orderly and timely fulfillment of the commission's responsibilities.

CHAPTER 298

An act to add Section 987.785 to the Military and Veterans Code, relating to veterans' farm and home purchase.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 987.785 is added to the Military and Veterans Code, to read:

987.785. Whenever the department cancels a contract and takes possession of a property pursuant to Section 987.77 and elects to sell the property covered by a forfeited contract, the department may, at its option, establish a procedure for listing the property for sale, together with similarly located properties, with a licensed real estate broker. The department may, in this connection, prepare schedules of properties available for sale by geographic areas and may offer a schedule from time to time to any licensed real estate broker within

the geographic area covered by the schedule for a fee which shall be sufficient to cover the costs to the department in compiling the schedules and making them available. If the department enters into a real estate listing agreement, exclusive or otherwise, with a licensed real estate broker, the department shall cooperate with the broker in all customary respects and make the property available at reasonable times for inspections by prospective purchasers.

CHAPTER 299

An act to amend Section 798.51 of the Civil Code, relating to mobilehomes.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 798.51 of the Civil Code is amended to read:

798.51. The management shall meet and consult with the homeowners, upon written request, within 30 days of the request, either individually, collectively, or with representatives of a group of homeowners who have signed a request to be so represented on the following matters:

(a) Amendments to park rules and regulations.

(b) Standards for maintenance of physical improvements in the park.

(c) Addition, alteration, or deletion of service, equipment or physical improvements.

Any collective meeting shall be conducted only after notice thereof has been given to all the requesting homeowners 10 days or more before the meeting.

CHAPTER 300

An act to add Section 626.1 to the Penal Code, relating to schools.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 626.1 is added to the Penal Code, to read:

626.1. (a) It is the intent of the Legislature in enacting this section to ensure that students, parents, and all school officials and employees have access to a concise, easily understandable summary of California penal and civil law pertaining to crimes committed

against persons or property on school grounds.

(b) On or before June 30, 1985, the Attorney General shall prepare and present to the Superintendent of Public Instruction, a report, written in easily understandable language, that contains a complete summary, with statutory citations, of California penal and civil law pertaining to crimes committed against persons or property on school grounds. The report shall include, but not be limited to, all reporting requirements pertaining to these crimes, the sanctions for failure to report, an explanation as to what constitutes an act of violence or vandalism, an explanation of the procedure by which any person or the school may initiate the prosecution of offenders for these crimes or seek recovery for injury or damages for these crimes, an explanation of parental liability for injury or property damages resulting from the intentional acts of a minor, and an explanation of any right to benefits as a consequence of injury or damage resulting from these crimes. The Attorney General shall periodically, but no less than once every two years, update this report to reflect changes in the law.

(c) Upon receipt of the report pursuant to subdivision (b) from the Attorney General, the Superintendent of Public Instruction shall provide for the expeditious duplication and distribution of this report to all superintendents of school districts and shall request the superintendents to do both of the following:

(1) Ensure that a copy of the report is posted and available on request at every school site in each district.

(2) Include an explanation of the report and notice of its availability in the next regular communication sent by the school to each parent or guardian.

CHAPTER 301

An act to amend Sections 18551 and 18551.1 of the Health and Safety Code, relating to mobilehomes.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 18551 of the Health and Safety Code is amended to read:

18551. The department shall establish regulations for manufactured home, mobilehome, and commercial coach foundation systems which shall be applicable throughout the state. When established, these regulations supersede any ordinance enacted by any city, county, or city and county applicable to manufactured home, mobilehome, and commercial coach foundation systems. The department may approve alternate

foundations systems to those provided by regulation where the department is satisfied of equivalent performance. The department shall document approval of alternate systems by its stamp of approval on the plans and specifications for the alternate foundation system.

(a) Prior to installation of a manufactured home, mobilehome, or commercial coach on a foundation system, the manufactured home, mobilehome, or commercial coach owner or a licensed contractor shall obtain a building permit from the appropriate local agency. To obtain a permit, the owner or contractor shall provide the following:

(1) Written evidence acceptable to the local agency that the manufactured home, mobilehome, or, commercial coach owner owns, holds title to, or is purchasing the real property where the mobilehome is to be installed on a foundation system. A lease held by the manufactured home, mobilehome, or commercial coach owners, which is transferable, for the exclusive use of the real property where the manufactured home, mobilehome, or commercial coach is to be installed, shall be deemed to comply with this paragraph if the lease is for a term of 35 years or more, or if less than 35 years, for a term mutually agreed upon by the lessor and lessee, and the term of the lease is not revocable at the discretion of the lessor except for cause, as described in subdivisions 2 to 5, inclusive, of Section 1161 of the Code of Civil Procedure.

(2) Written evidence acceptable to the local agency that the registered owner owns the manufactured home, mobilehome, or commercial coach free of any liens or encumbrances or, in the event that the legal owner is not the registered owner, or liens and encumbrances exist on the manufactured home, mobilehome, or commercial coach, written evidence provided by the legal owner and any lienors or encumbrancers that the legal owner, lienor, or encumbrancer consents to the attachment of the manufactured home, mobilehome, or commercial coach upon the discharge of any personal lien, which may be conditioned upon the satisfaction by the registered owner of the obligation secured by the lien.

(3) Plans and specifications required by department regulations or a department-approved alternate for the manufactured home, mobilehome, or commercial coach foundation system.

(4) The manufactured home, mobilehome, or commercial coach manufacturer's installation instructions, or plans and specifications signed by a California licensed architect or engineer covering the installation of an individual manufactured home, mobilehome, or commercial coach in the absence of the manufactured home, mobilehome, or commercial coach manufacturer's instructions.

(5) Building permit fees established by ordinance of the city, county, or city and county of the appropriate local agency.

(6) A fee payable to the department in the amount of eleven dollars ($11) for each transportable section of the manufactured home, mobilehome, or commercial coach, which shall be immediately transmitted to the department with a copy of the building permit and any other information concerning the

manufactured home, mobilehome, or commercial coach which the department may prescribe on forms provided by the department.

On the same day that the certificate of occupancy for the manufactured home, mobilehome, or commercial coach is issued by the appropriate local agency, the local agency shall record with the county recorder of the county in which the real property is situated, on which the manufactured home, mobilehome, or commercial coach has been installed, a document naming the owner of the real property, describing the real property with certainty, and stating that a manufactured home, mobilehome, or commercial coach has been affixed to such real property by installation on a foundation system pursuant to this section.

When recorded, the document referred to above shall be indexed by the county recorder to the named owner and shall be deemed to give constructive notice as to its contents to all persons thereafter dealing with the real property.

If the manufactured home, mobilehome, or commercial coach is registered with the department, the local agency shall notify the department that the manufactured home, mobilehome, or commercial coach has been installed on a foundation system.

Fees received by the department pursuant to this subdivision shall be deposited in the Mobilehome-Manufactured Home Revolving Fund established under subdivision (a) of Section 18016. To the extent these fees are utilized for enforcement of consumer protections, the provisions of subdivision (b) of Section 18016.5 shall not apply.

(b) The department shall adopt regulations providing for the cancellation of registration of a manufactured home, mobilehome, or commercial coach which is permanently attached to the ground on a foundation system pursuant to this section. The regulations shall provide for the surrender to the department of the certificate of title and other indicia of registration. For the purposes of this subdivision, permanent affixation to a foundation system shall be deemed to have occurred on the day a certificate of occupancy is issued to the manufactured home, mobilehome, or commercial coach owner and the document referred to in paragraph (6) of subdivision (a) is recorded. Cancellation shall be effective as of that date and the department shall enter such cancellation on its records upon receipt of a copy of the certificate of occupancy. This subdivision shall not be construed to affect the application of existing laws, or the department's regulations or procedures with regard to the cancellation of registration, except as to the requirement therefor and the effective date thereof.

(c) Once installed on a foundation system in compliance with the provisions of subdivisions (a) and (b), a manufactured home, mobilehome, or commercial coach shall be deemed a fixture and a real property improvement to the real property to which it is affixed. Physical removal of the manufactured home, mobilehome, or commercial coach shall thereafter be prohibited without the consent

of all persons or entities who, at the time of removal, have title to any estate or interest in the real property to which the manufactured home, mobilehome, or commercial coach is affixed.

For the purposes of this part:

(1) "Physical removal" shall include, without limitation, the unattaching of the manufactured home, mobilehome, or commercial coach from the foundation system, except for temporary purposes of repair or improvement thereto.

(2) Consent to removal shall not be required from the owners of rights-of-way or easements or the owners of subsurface rights or interests in or to minerals, including, but not limited to, oil, gas, or other hydrocarbon substances.

(d) At least 30 days prior to a legal removal of the manufactured home, mobilehome, or commercial coach from the foundation system and transportation away from the real property to which it was formerly affixed, the manufactured home, mobilehome, or commercial coach owner shall notify the department and the county assessor of the intended removal of the manufactured home, mobilehome, or commercial coach. The department shall require written evidence that the necessary consents have been obtained pursuant to this section and shall require application for either a transportation permit or manufactured home, mobilehome, or commercial coach registration as the department may decide is appropriate to the circumstances. Immediately upon removal, as defined in this section, the manufactured home, mobilehome, or commercial coach shall be deemed to have become personal property and subject to all laws governing the same as applicable to a manufactured home, mobilehome, or commercial coach.

(e) Notwithstanding any other provision of law, any manufactured home, mobilehome, or commercial coach installed on a foundation system, attached, or otherwise permanently affixed to, real property without compliance with the provisions of subdivisions (a) and (b), shall not be deemed a fixture or improvement to the real property. This subdivision shall not be construed to affect the application of sales and use or property taxes.

(f) Once installed on a foundation system, a manufactured home, mobilehome, or commercial coach shall be subject to state enforced health and safety standards for manufactured homes, mobilehomes, or commercial coaches enforced pursuant to Section 18020.

(g) No local agency shall require that any manufactured home, mobilehome, or commercial coach currently on private property be placed on a foundation system.

SEC. 2. Section 18551.1 of the Health and Safety Code is amended to read:

18551.1. (a) Any mobilehome park, the construction of which is completed on or after January 1, 1982, may, subject to Section 18551, be constructed in a manner which will enable manufactured homes and mobilehomes sited in the park to be placed upon a foundation system, and manufactured homes and mobilehomes sited in the park

may be placed upon foundation systems.

(b) Notwithstanding subdivision (a), any manufactured home or mobilehome originally sited on or after January 1, 1985, in a mobilehome park constructed prior to January 1, 1982, may be placed upon a foundation system, subject to the requirements of Section 18551.

CHAPTER 302

An act to add Section 25539.10 to the Government Code, relating to county property.

[Approved by Governor July 5, 1984 Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 25539.10 is added to the Government Code, to read:

25539.10. Notwithstanding any other provision of law, the board of supervisors of a county of the 15th class may sell, trade, or lease property near the county courthouse in conjunction with a lease-purchase agreement for a replacement facility through an open and competitive request-for-proposal process.

SEC. 2. The Legislature finds that unique and special circumstances exist in San Joaquin County for which a general statute cannot be made applicable. The San Joaquin County Human Services Agency is housed in the Hotel Stockton, a historical landmark, which is owned by the county. The Human Services Agency has outgrown the Hotel Stockton. The Hotel Stockton is not appropriate housing for the Human Services Agency. The Hotel Stockton is at the head of the channel and suitable for renovation as commercial property. Because the hotel is the cornerstone of downtown Stockton, and because of the hotel's unique location and the county's need for additional space elsewhere, it is desirable for San Joaquin County to elicit proposals for a lease-purchase of a new building for its Human Services Agency and to sell, trade, or lease the hotel in accordance with Section 1 of this act.

CHAPTER 303

An act to amend Sections 14100, 14103, 14400, 14401, 14456, 14800, 14862, 14900, and 15151 of, and to amend and renumber Section 14907 of, the Financial Code, relating to credit unions.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 14100 of the Financial Code is amended to read:

14100. Credit unions shall be incorporated under this division in the same manner as, and exercise the powers of, corporations under the Nonprofit Mutual Benefit Corporation Law of this state, except as otherwise provided in this division.

SEC. 2. Section 14103 of the Financial Code is amended to read:

14103. The bylaws shall prescribe the manner in which the business of the credit union shall be conducted with reference to the following matters:

(a) The purpose of the credit union.

(b) The qualification for membership.

(c) Determination of the month, time and place of the annual meeting; the manner of conducting meetings; the method by which members shall be notified of meetings; and the number of members which shall constitute a quorum.

(d) The authorized number of directors, the number of directors necessary to constitute a quorum, and the powers and duties of officers elected by the directors.

(e) The membership, powers, and duties of the supervisory committee.

(f) The membership, powers, and duties of the credit committee or if applicable, the general powers, responsibilities and duties of the credit manager.

(g) The manner in which the regular reserve shall be accumulated.

(h) The manner in which the bylaws may be amended.

SEC. 3. Section 14400 of the Financial Code is amended to read:

14400. (a) The savings capital of a credit union shall consist of the payments made by members on shares.

The credit union shares may be structured to include shares with a par value and shares with no par value.

The par value of credit union shares and the stated value of credit union shares without a par value shall be set out in the credit union's written savings capital structure policy pursuant to Section 14862.

(b) The equity capital of the credit union shall consist of all consideration paid for memberships in the credit union, all entrance fees paid to become a member of a credit union, all moneys held in the credit union's regular reserve account, all dues, fees, and assessments paid by credit union members and held in any contingency reserve account established by the credit union's board of directors or at the direction of the commissioner, and all retained earnings in the credit union's undivided profits account less all losses in excess of the credit union's regular reserve account and all share

capital.

SEC. 4. Section 14401 of the Financial Code is amended to read:

14401. A credit union may borrow money from any source in an aggregate amount not to exceed 50 percent of the paid-in and unimpaired capital and surplus of the credit union. Loans from the National Credit Union Central Liquity Facility (12 U.S.C. Section 1795 and following) shall not be included in computing the aggregate borrowings of a credit union. For the purposes of this division, "certificate for funds" means borrowed money.

SEC. 5. Section 14456 of the Financial Code is amended to read:

14456. Unless the bylaws expressly reserve any or all of the following duties to the members, the directors have all of the following special duties:

(a) To act upon all applications for membership. The directors may delegate the power to approve applications for new membership to the chairman of a membership committee or to an executive committee.

(b) To expel members for any of the following causes:

(1) Conviction of a criminal offense involving moral turpitude.

(2) Failure to carry out contracts, agreements or obligations with the credit union.

(3) Refusal to comply with the provisions of this division or of the bylaws.

Any members who are expelled by the board of directors have the right to appeal therefrom to the members, in which event, after hearing, the order of suspension may be revoked by a two-thirds vote of the members present at a special meeting to consider the matter.

(c) To determine from time to time the interest rate on loans and to authorize the payment of interest refunds to borrowing members.

(d) To fix the maximum number of shares which may be held by, and the maximum amount which may be loaned to, any one member.

(e) To declare dividends on shares in accordance with the credit union's written capital structure policy and to determine the interest rate or rates which will be paid on certificates for funds.

(f) To amend the bylaws, except where membership approval is required.

(g) To fill vacancies in the board of directors or credit committee, and to temporarily fill vacancies caused by the suspension of any member of the board of directors, or any or all members of the credit committee, pending a meeting of the members to determine whether to affirm such suspension and vacate the office, or to reinstate such member or members.

(h) To direct the deposit or investment of funds, except loans to members.

(i) To designate alternate members of the credit committee who shall serve in the absence or inability of the regular members to perform their duties.

(j) To perform or authorize any action not inconsistent with law

or regulation and not specifically reserved by the bylaws for the members, and to perform such other duties as the bylaws may prescribe.

SEC. 6. Section 14800 of the Financial Code is amended to read:

14800. (a) Every credit union may admit to membership those persons qualified for membership: (1) upon the purchase of a membership in the credit union as provided in the credit union bylaws; or (2) upon payment of an entrance fee established from time to time by the board of directors; or (3) upon the purchase of one or more shares in the credit union as provided in the credit union's bylaws.

(b) No officer, director, committee member, or employee of any credit union shall approve a person for admission to membership or admit an applicant for membership in the credit union or extend any benefit or service of the credit union to any person, either directly or indirectly, unless that person is admitted to membership in the credit union pursuant to subdivision (a).

(c) Nothing in subdivisions (a) and (b) shall be construed to limit the powers of a credit union to engage in joint service programs or business relationships for the benefit of their members where some incidental benefit may flow to third parties to the transaction or the authority for a credit union to engage in joint loan programs pursuant to Section 14959.

SEC. 7. Section 14862 of the Financial Code is amended to read:

14862. The board of directors shall establish from time to time a written savings capital structure policy which shall set out the various terms and conditions upon which credit union shares may be issued, paid for, transferred, and withdrawn. The savings capital structure policy may provide for different rates, maturities and minimum share account balances, subject to the rules of the commissioner for the credit union's share capital and the terms and conditions on which dividends may be calculated and paid to member's purchasing credit union shares. The savings capital structure policy shall have as its goal avoiding instability in the credit union's structure and thereby ensuring that credit union members have an adequate source of funds for loans and receive a fair return on member share capital.

SEC. 8. Section 14900 of the Financial Code is amended to read:

14900. (a) The board of directors of any credit union may declare dividends at such intervals, in accordance with such formula, and for such periods as provided in the written savings capital structure policy.

(b) Dividends need not be paid on a share account having less than the minimum balance prescribed in the bylaws.

SEC. 9. Section 14907 of the Financial Code is amended and renumbered to read:

14905. Amounts paid or credited by a credit union to its members or depositors on or before the 30th day after the close of its income year shall be deemed for all purposes as paid or credited by the credit

union upon the last day of the income year. This section is applicable only to credit unions as entities and does not apply to the members or depositors thereof.

SEC. 10. Section 15151 of the Financial Code is amended to read:

15151. A credit union shall maintain a current written schedule or schedules containing all of the following:

(1) The amount or, if no amount can be stated, the method of determining the amount of each charge which the credit union may impose on an account.

(2) Provisions in the credit union's written capital policy statement relating to the frequency, method that will be used in calculating, and the conditions under which dividends will be paid, including any provision for nonpayment of dividends on deposits made after the beginning of the dividend payment period or withdrawn before the end of such period.

(3) If the rate of dividend may vary, the circumstances under which a variation may occur and the method of determining the new rate of interest.

(4) The effective date thereof.

The schedule or schedules shall be available for inspection by the credit union members or prospective members at each branch office in California at which such accounts are maintained and written materials setting forth the information contained in such schedule shall be displayed and be available to the credit union members or prospective members in an area of the credit union which is open to the credit union members or prospective members. The schedule or schedules and written materials need not contain information relating to an account for an unincorporated association of natural persons.

CHAPTER 304

An act to amend Sections 19983 and 19991 of, and to add Sections 19969.3 and 19991.3 to, the Health and Safety Code, relating to factory-built housing.

[Approved by Governor July 5, 1984 Filed with Secretary of State July 6, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 19969.3 is added to the Health and Safety Code, to read:

19969.3. "Design approval agency" is a private organization meeting the requirements of department regulations to perform evaluation of factory-built housing plans and specifications.

SEC. 2. Section 19983 of the Health and Safety Code is amended to read:

19983. Nothing in this part shall be construed to prevent the department from delegating by written contract its enforcement authority to local government agencies or from approving design approval agencies, as provided in Section 19991.3.

SEC. 3. Section 19991 of the Health and Safety Code is amended to read:

19991. The department shall enforce every provision of this part, the building standards published in the State Building Standards Code relating to factory-built housing, and the other regulations adopted pursuant to the provisions of this part, except as provided in Sections 19991.1, 19991.3, and 19992.

SEC. 4. Section 19991.3 is added to the Health and Safety Code, to read:

19991.3. The department shall provide by regulation for qualification and disqualification of design approval agencies to perform approval of factory-built housing plans and specifications, and the approvals of those agencies shall be deemed the equivalent of department approval. The regulations for qualification of design approval agencies shall specifically provide for the absence of any conflict of interest between manufacturers and design approval agencies and for department oversight of design approval agency performance.

CHAPTER 305

An act to amend Section 19140 of the Government Code, relating to State Civil Service.

[Approved by Governor July 5, 1984 Filed with Secretary of State July 6, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 19140 of the Government Code is amended to read:

19140. In addition to reinstatement required under any other section, an appointing power may in his or her discretion, reinstate any person having probationary or permanent status who was separated from his or her position (a) by resignation, (b) by service retirement, (c) by termination from limited-term, temporary, career executive assignment, or exempt appointment, (d) under Section 19996.2, or (e) without a break in continuity of state service to accept another civil service or exempt appointment. Reinstatement shall be undertaken subject to all of the following:

(a) Subject to board rule.

(b) Within three years if the employee, at the time of separation was a member of the California Highway Patrol.

For reinstatement after separation, for members of the California

Highway Patrol, the time spent (1) in a position which is exempt from civil service or (2) as a temporary employee in another governmental agency engaged in a technical cooperation program under an agreement approved by the state or (3) in a recognized military service, shall not be considered in computing the three-year period.

(c) Subject to certification regarding eligibility pursuant to Section 20983.5, if applicable.

(d) To any vacant position as follows:

(1) In the class vacated or from which separated, or,

(2) In a lower class in the same series, or,

(3) In a lower class in a related series requiring similar types of qualifications, knowledge, and abilities, or,

(4) In another class having substantially similar duties, responsibilities, and qualifications, and substantially the same salary range.

An employee separated from state service by layoff, or by resignation in lieu of layoff, may be reinstated at the discretion of the appointing power; provided, however, that the reinstatement shall be subject to the requirements of this section and shall not be to a position that is specifically subject to the employee's reemployment list eligibility.

CHAPTER 306

An act to amend Section 66412 of the Government Code, relating to subdivisions.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 66412 of the Government Code is amended to read:

66412. This division shall be inapplicable to:

(a) The financing or leasing of apartments, offices, stores or similar space within apartment buildings, industrial buildings, commercial buildings, mobilehome parks, or trailer parks.

(b) Mineral, oil or gas leases.

(c) Land dedicated for cemetery purposes under the Health and Safety Code.

(d) A lot line adjustment between two or more existing adjacent parcels, where the land taken from one parcel is added to an adjacent parcel, and where a greater number of parcels than originally existed is not thereby created, provided the lot line adjustment is approved by the local agency, or advisory agency.

(e) Boundary line or exchange agreements to which the State

Lands Commission or a local agency holding a trust grant of tide and submerged lands is a party.

(f) Any separate assessment under Section 2188.7 of the Revenue and Taxation Code.

(g) Unless a parcel or final map was approved by the legislative body of a local agency, the conversion of a community apartment project, as defined in Section 11004 of the Business and Professions Code, to a condominium, as defined in Section 783 of the Civil Code, but only if all of the following requirements are met:

(1) At least 75 percent of the units in the project were occupied by record owners of the project on March 31, 1982.

(2) A final or parcel map of the project was properly recorded, if the property was subdivided, as defined in Section 66424, after January 1, 1964, with all of the conditions of that map remaining in effect after the conversion.

(3) The local agency certifies that the above requirements were satisfied if the local agency, by ordinance, provides for such certification.

(h) Unless a parcel or final map was approved by the legislative body of a local agency, the conversion of a stock cooperative, as defined in Section 11003.2 of the Business and Professions Code, to a condominium, as defined in Section 783 of the Civil Code, but only if all of the following requirements are met:

(1) At least 51 percent of the units in the cooperative were occupied by stockholders of the cooperative on January 1, 1981, or individually owned by stockholders of the cooperative on January 1, 1981. As used in this paragraph a cooperative unit is "individually owned" if and only if the stockholder of such unit owns or partially owns an interest in no more than one unit in the cooperative.

(2) No more than 25 percent of the shares of the cooperative were owned by any one person, as defined in Section 17, including an incorporator or director of the cooperative, on January 1, 1981.

(3) A person renting a unit in a cooperative shall be entitled at the time of conversion to all tenant rights in state or local law, including, but not limited to, rights respecting first refusal, notice, and displacement and relocation benefits.

(4) The local agency certifies that the above requirements were satisfied if the local agency, by ordinance, provides for such certification.

(i) The leasing of, or the granting of an easement to, a parcel of land, or any portion or portions thereof, in conjunction with the financing, erection, and sale or lease of a windpowered electrical generation device on the land, if the project is subject to discretionary action by the advisory agency or legislative body.

CHAPTER 307

An act to add Section 8961.5 to the Health and Safety Code, relating to public cemetery districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 5, 1984. Filed with Secretary of State July 6, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 8961.5 is added to the Health and Safety Code, to read:

8961.5. (a) Notwithstanding Sections 8961 and 8961.1, the trustees may permit any cemetery maintained by the district to be used for the burial within the ground of any deceased nonresident of the district if the decedent died while serving on active duty in the armed forces or active militia or while in the line of duty as a peace officer or fireman, and if all of the following conditions are met:

(1) The trustees determine that the cemetery has adequate space for the foreseeable future.

(2) The district has established an endowment care fund which requires at least the minimum deposit set forth in Section 8738.

(3) The district requires the payment of a nonresident fee established pursuant to Section 8894.

(b) As used in this section, the following definitions shall control:

(1) "Armed forces" has the meaning set forth in Section 18540 of the Government Code.

(2) "Active militia" has the meaning set forth in Section 120 of the Military and Veterans Code.

(3) "Peace officer" has the meaning set forth in Section 830 of the Penal Code.

(4) "Fireman" has the meaning set forth in Section 217 of this code.

SEC. 2. Notwithstanding Sections 8961, 8961.1, and 8961.5 of the Health and Safety Code, the trustees of the Newcastle-Rocklin-Loomis-Gold Hill Cemetery District may permit any cemetery maintained by the district to be used for the burial within the ground of any deceased nonresident of the district if the decedent died while serving on active duty in the armed forces. As used in this section, "armed forces" has the meaning set forth in Section 18540 of the Government Code. This section applies to burials which occurred between November 15, 1983, and the effective date of this act.

SEC. 3. The Legislature finds and declares that a special law is necessary for purposes of Section 2 and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances of the

Newcastle-Rocklin-Loomis-Gold Hill Cemetery District which permitted the burial of a deceased nonresident who had died while serving on active duty in the armed forces.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Current law generally precludes the burial of deceased nonresidents in cemeteries of public districts. In order to permit the burial of deceased nonresident military personnel, peace officers, and firemen in these cemeteries at the earliest possible time, it is necessary for this act to take effect immediately.

CHAPTER 308

An act to amend Section 24200 of the Education Code, relating to teachers' retirement.

[Approved by Governor July 5, 1984 Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 24200 of the Education Code is amended to read:

24200. Any member prior to the effective date of the member's retirement may elect an option which is an actuarially modified retirement allowance payable throughout the life of the member and his or her option beneficiary as follows:

(a) Option 2. Upon the retirant's death, the modified retirement allowance equal to the modified amount the retirant was receiving shall be paid to the option beneficiary; or

(b) Option 3. Upon the retirant's death, one-half of the modified retirement allowance the retirant was receiving shall be paid to the option beneficiary; or

(c) Option 4. The modified retirement allowance shall be paid to the retirant so long as both the retirant and the option beneficiary are living. Upon the death of either the retirant or the option beneficiary, two-thirds of the modified retirement allowance shall be paid to the surviving retirant or the surviving option beneficiary; or

(d) Option 5. The modified retirement allowance shall be paid to the retirant so long as both the retirant and the option beneficiary are living. Upon the death of either the retirant or the option beneficiary, one-half of the modified retirement allowance shall be paid to the surviving retirant or surviving option beneficiary.

The option beneficiary, for purposes of this section, shall have been nominated by the retirant by written designation duly executed and filed with the system at the time of the member's retirement.

A member may revoke or change his election of an option at any time prior to the effective date of the member's retirement. A member may change his or her preretirement election of Option 2 or Option 3 made pursuant to Section 24203 to either Option 4 or Option 5 without the allowance reduction as prescribed in Section 24205 provided the change is made on or after January 1, 1984, and prior to January 1, 1985, and prior to his or her retirement.

CHAPTER 309

An act to add Chapter 1.6 (commencing with Section 15364.50) to Part 6.7 of Division 3 of Title 2 of the Government Code, relating to tourism, and making an appropriation therefor.

[Approved by Governor July 6, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 1.6 (commencing with Section 15364.50) is added to Part 6.7 of Division 3 of Title 2 of the Government Code, to read:

CHAPTER 1.6. CALIFORNIA TOURISM POLICY ACT

15364.50. The Legislature finds and declares that:

(a) Tourism is a major source of jobs, income, and tax revenues in California, and the expansion of this industry is vital to the overall growth of California's economy.

(b) The tourism, travel, and recreational industries are important to the state, not only because of the numbers of people they serve and the vast human, financial, and physical resources they employ, but because of the benefits which tourism, recreation, and related activities confer on individuals and on society as a whole.

(c) There is a need to invest state resources to provide a more effective means of promoting and marketing travel to, and within, the state, and to optimize the considerable investment of time, energy, capital, and resources being made by the tourism industry.

(d) Existing state government involvement in tourism and related activities needs to be better coordinated at the state level, as well as with local government and the private sector, if the economic and employment benefits of the industry are to be maximized.

(e) The entire state could benefit from promotion of lesser known and underutilized destinations within the state and additional state resources may be effectively utilized to assist such localities in order that they can participate in, and benefit from, a tourism promotion.

15364.51. It is the intention of the Legislature in enacting this part to do all of the following:

(a) Reaffirm a commitment to the fostering of the economic activity inherent in tourism promotion as delineated as a mandate to the Department of Economic and Business Development and to the Office of Tourism.

(b) To provide for an effective means of promoting and marketing the State of California as a destination for tourists on a worldwide basis, to provide the private sector with a more effective means of promoting tourism efforts and a forum for removing obstacles to overall tourism growth in order for California to remain competitive in the world tourism marketplace.

(c) Optimize the contribution of the tourism-related industries to the state's economic prosperity and to expand employment opportunities.

(d) Make the opportunity for, and benefits of, tourism in the state accessible to its residents and visitors and insure that present and future generations are afforded adequate tourism resources and attractions.

(e) Encourage the preservation and use of California historic and scenic environments to enhance the state's appeal as a destination for domestic and international tourism.

(f) Encourage California residents to take maximum advantage of travel and tourism opportunities within the State of California by enabling them to obtain accurate, timely, up-to-date travel and tourism information benefiting both urban and rural travelers in various regions of the state.

(g) Contribute to personal growth, health, education, and intercultural appreciation of the geography, history, arts, and ethnicity of the State of California.

(h) Encourage the free and welcome entry of individuals traveling to the state in order to enhance international understanding and goodwill, consistent with immigration laws, the laws protecting the public health, and laws governing the importation of goods into the United States and state law.

(i) Encourage investment in new tourism facilities and renovation of older facilities.

(j) Assist in the collection, analysis, and timely dissemination of data which accurately measure the economic and social impact of tourism to, and within, the state in order to facilitate planning in the public and private sectors.

(k) Harmonize, to the maximum extent possible, all state activities in support of tourism and recreation with the needs of the general public, local governments, and the private sector, and to give leadership to all concerned with tourism in California.

15364.52. (a) There is hereby created in state government a California Tourism Commission, located within the Department of Economic and Business Development, which shall consist of the Secretary of the Business, Transportation and Housing Agency, who shall serve as the chairperson of the commission; the Director of the Department of Economic and Business Development, who shall

serve as vice chairperson of the commission and nine other members appointed as follows:

(1) Five members shall be appointed by the Governor who are able persons, professionally active in the tourism industry representing diverse segments of that industry.

(2) One Member of the Senate shall be appointed by the Senate Rules Committee and one Member of the Assembly shall be appointed by the Speaker of the Assembly. These members shall be ex officio, nonvoting members of the commission.

(3) Two members, who are able persons professionally active in the tourism industry representing diverse segments of that industry, shall be appointed one each by the Senate Rules Committee and the Speaker of the Assembly.

(b) The Director of the Office of Tourism shall serve as secretary to the commission, and shall keep the minutes and records of all commission meetings and provide staff and whatever supportive services necessary to the activities of the commission.

(c) The commission shall meet quarterly and at other such times and places as the chairperson may designate for the purpose of transacting the commission's business. Each commission member shall serve without compensation but shall be reimbursed for traveling and other expenses necessarily incurred in the performance of duties.

(d) The commission shall, in cooperation with the Office of Tourism, the department, and the agency, adopt, and annually update, a tourism marketing plan for the State of California. The plan shall, to the extent practical and feasible, do all of the following:

(1) Serve as a guide for effectuating the California Tourism Policy Act, within available resources.

(2) Include an assessment of the activities and accomplishments of the Office of Tourism.

(3) Outline the intended program of tourism promotion and visitor service activities for the oncoming year.

(4) Delineate the ways, means, and programs by which tourism shall be promoted, including such cost-effective marketing methods and techniques as are to be employed.

(5) Identify resources as are reasonably necessary, from all sources both public and private, to accomplish such promotion and marketing activities.

(6) Identify and articulate cooperative or shared cost programs, or opportunities for such ventures, with private entities.

(7) Contain other information, data, or recommendations which may be germane to the marketing efforts of California pursuant to the intent of this act.

(e) The commission, in cooperation with the Office of Tourism, may convene such committees consisting of qualified professionals and experts in various segments of the tourism industry as may be required to aid in the preparation of, or revision of, the marketing plan, or parts thereof, and as may from time to time be appropriate

to further the purposes of this act.

(f) The commission shall work to the maximum extent practicable with those private associations, nonprofit corporations, organizations, or other private entities whose purpose includes the promotion of California tourism.

(g) Members of the California Tourism Commission and the staff of the Office of Tourism, when traveling to foreign countries or attending international travel trade shows, shall do so in cooperation with the California State World Trade Commission to preserve its ambassadorial function.

15364.53. In addition to those functions of the Office of Tourism specified in Section 15334, the Office of Tourism:

(a) May from time to time convene interagency committees, consisting of representatives of such units of state government as might be required to devise recommendations to identify and solve problems of tourism promotion.

(b) Shall take advantage of particular promotional opportunities as may be presented.

(c) Shall facilitate travel and visitorship to, and within, California to the maximum extent feasible.

(d) May identify and assist in the development of a user-directed, computer-based, public-access information system serving the needs of the traveling and tourist public in urban and rural areas in California.

(e) Shall develop and publish research to determine sources and characteristics of present and future visitors to California and measure the effectiveness of marketing and service programs.

(f) Shall represent the state at domestic and international travel trade shows which provide an opportunity to promote a significant amount of travel to, and within, California.

(g) Shall cooperate with the United States Travel and Tourism Administration in the development and the promotion of the United States as a destination for international tourism.

(h) Shall implement the Tourism Marketing Plan.

15364.54. The Office of Tourism shall prepare and submit an annual report to the Governor, the Legislature, and the California Tourism Commission. The first report shall be submitted by March 15, 1985. Subsequent reports shall be submitted by December 31 of each year. Each report shall do all of the following:

(a) Detail the tourism marketing plan which has been adopted for the upcoming fiscal year.

(b) Assess the overall benefits and effectiveness of the tourism marketing and advertising program.

(c) Include documentation of the directly attributable benefits of the marketing program to all of the following:

(1) California's tourism industry.

(2) Employment in California.

(3) State and local tax revenues.

(4) The state's lesser known and underutilized destinations.

(d) Identify additional data which needs to be collected to further and adequately assess the benefits of the program.

(e) Establish standarized and accurate methods to annually measure California's share of the domestic and international tourism markets and assess the impact of the marketing program in terms of California's changing market share.

15364.55. State agencies and departments may, in their discretion, detail to temporary duty with the office, such personnel as the director may request for carrying out the purposes of this act, each such detail to be without loss of seniority, pay or other employee status.

15364.56. None of the money appropriated in category (b) of Item 2200-001-001 of the Budget Act of 1984 for the Tourism Marketing Program shall be used to independently promote or feature, in paid advertising, any elected official.

SEC. 2. The sum of three million dollars ($3,000,000) is hereby appropriated from the General Fund to the Department of Economic and Business Development, in augmentation of category (b) of Item 2200-001-001 of the Budget Act of 1984, for the purposes of Chapter 1.6 (commencing with Section 15364.50) of Part 6.7 of Division 3 of Title 2 of the Government Code.

CHAPTER 310

An act to add Section 53531.1 to the Government Code, and to amend Section 30705 of the Public Resources Code, relating to governmental agencies, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 6, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 53531.1 is added to the Government Code, to read:

53531.1. (a) The Legislature hereby finds and declares that, in enacting and amending Sections 53530 and 53531, the intent has been, and continues to be, to provide general authority to local agencies to issue bonds bearing interest at the coupon rate specified in Section 53531, as amended from time to time. This general authority is intended to be in addition to, and not limited by, specific provisions authorizing bonds of particular local agencies. Due to the general application of Section 53531, it has been unnecessary to amend the numerous statutes which contain their own specific maximum interest rates. This section contains the intent of the Legislature in previously enacting and amending Sections 53530 and 53531 and does not affect Section 53532 or 53533. This section does not

constitute a change in, but is declaratory of, the existing law in effect since 1969.

(b) All bonds of any local agency issued prior to the effective date of this section, and bearing interest at coupon rates within the maximum rate specified in Section 53531, as in effect at the time of issuance, are legal, valid, and binding obligations of the local agency.

(c) The authority provided to all local agencies in Section 53531 to issue bonds bearing interest at a coupon rate in accordance with that section is in addition to, and not limited by, any power or limitation made applicable to local agencies by any other law enacted before or on or after the effective date of this section, unless the other law specifically provides otherwise.

SEC. 2. Section 30705 of the Public Resources Code is amended to read:

30705. (a) Water areas may be diked, filled, or dredged when consistent with a certified port master plan only for the following:

(1) Construction, deepening, widening, lengthening, or maintenance of ship channel approaches, ship channels, turning basins, berthing areas, and facilities that are required for the safety and the accommodation of commerce and vessels to be served by port facilities.

(2) New or expanded facilities or waterfront land for port-related facilities.

(3) New or expanded commercial fishing facilities or recreational boating facilities.

(4) Incidental public service purposes, including, but not limited to, burying cables or pipes or inspection of piers and maintenance of existing intake and outfall lines.

(5) Mineral extraction, including sand for restoring beaches, except in biologically sensitive areas.

(6) Restoration purposes or creation of new habitat areas.

(7) Nature study, mariculture, or similar resource-dependent activities.

(8) Minor fill for improving shoreline appearance or public access to the water.

(b) The design and location of new or expanded facilities shall, to the extent practicable, take advantage of existing water depths, water circulation, siltation patterns, and means available to reduce controllable sedimentation so as to diminish the need for future dredging.

(c) Dredging shall be planned, scheduled, and carried out to minimize disruption to fish and bird breeding and migrations, marine habitats, and water circulation. Bottom sediments or sediment elutriate shall be analyzed for toxicants prior to dredging or mining, and where water quality standards are met, dredge spoils may be deposited in open coastal water sites designated to minimize potential adverse impacts on marine organisms, or in confined coastal waters designated as fill sites by the master plan where the spoil can be isolated and contained, or in fill basins on upland sites.

Dredge material shall not be transported from coastal waters into estuarine or fresh water areas for disposal.

(d) For water areas to be diked, filled, or dredged, the commission shall balance and consider socioeconomic and environmental factors.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

A court decision has created great uncertainty with respect to the validity of bonds of local agencies and is undermining the market for these bonds. In order to remove the uncertainty caused by this decision and its damaging effects, and also to better protect water areas within specified ports without delay, it is necessary that this act take effect immediately.

CHAPTER 311

An act to amend Sections 877.6, 1710.15, 1710.20, 1710.25, and 1710.35 of the Code of Civil Procedure, relating to civil procedure.

[Approved by Governor July 6, 1984. Filed with Secretary of State July 6, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 877.6 of the Code of Civil Procedure is amended to read:

877.6. (a) Any party to an action wherein it is alleged that two or more parties are joint tortfeasors shall be entitled to a hearing on the issue of the good faith of a settlement entered into by the plaintiff or other claimant and one or more alleged tortfeasors, upon giving notice thereof in the manner provided in Sections 1010 and 1011 at least 20 days before the hearing. Upon a showing of good cause, the court may shorten the time for giving the required notice to permit the determination of the issue to be made before the commencement of the trial of the action, or before the verdict or judgment if settlement is made after the trial has commenced.

(b) The issue of the good faith of a settlement may be determined by the court on the basis of affidavits served with the notice of hearing, and any counteraffidavits filed in response thereto, or the court may, in its discretion, receive other evidence at the hearing.

(c) A determination by the court that the settlement was made in good faith shall bar any other joint tortfeasor from any further claims against the settling tortfeasor for equitable comparative contribution, or partial or comparative indemnity, based on comparative negligence or comparative fault.

(d) The party asserting the lack of good faith shall have the burden of proof on that issue.

(e) When a determination of the good faith or lack of good faith of a settlement is made, any party aggrieved by the determination may petition the proper court to review the determination by writ of mandate. The petition for writ of mandate shall be filed within 20 days after service of written notice of the determination, or within such additional time not exceeding 20 days as the trial court may allow.

(1) The court shall, within 30 days of the receipt of all materials to be filed by the parties, determine whether or not the court will hear the writ and notify the parties of its determination.

(2) If the court grants a hearing on the writ, the hearing shall be given special precedence over all other civil matters on the calendar of the court except those matters to which equal or greater precedence on the calendar is granted by law.

The running of any period of time after which an action would be subject to dismissal pursuant to Section 583 shall be tolled during the period of review of a determination pursuant to this subdivision.

SEC. 2. Section 1710.15 of the Code of Civil Procedure is amended to read:

1710.15. (a) A judgment creditor may apply for the entry of a judgment based on a sister state judgment by filing an application pursuant to Section 1710.20.

(b) The application shall be executed under oath and shall include all of the following:

(1) A statement that an action in this state on the sister state judgment is not barred by the applicable statute of limitations.

(2) A statement, based on the applicant's information and belief, that no stay of enforcement of the sister state judgment is currently in effect in the sister state.

(3) A statement of the amount remaining unpaid under the sister state judgment and, if accrued interest on the sister state judgment is to be included in the California judgment, a statement of the amount of interest accrued on the sister state judgment (computed at the rate of interest applicable to the judgment under the law of the sister state), a statement of the rate of interest applicable to the judgment under the law of the sister state, and a citation to the law of the sister state establishing such rate of interest.

(4) A statement that no action based on the sister state judgment is currently pending in any court in this state and that no judgment based on the sister state judgment has previously been entered in any proceeding in this state.

(5) Where the judgment debtor is an individual, a statement setting forth the name and last known residence address of the judgment debtor. Where the judgment debtor is a corporation, a statement of the corporation's name, place of incorporation, and whether the corporation, if foreign, has qualified to do business in this state under the provisions of Chapter 21 (commencing with Section 2100) of Division 1 of Title 1 of the Corporations Code. Where the judgment debtor is a partnership, a statement of the

name of the partnership, whether it is a foreign partnership, and, if it is a foreign partnership, whether it has filed a statement pursuant to Section 15700 of the Corporations Code designating an agent for service of process. Except for facts which are matters of public record in this state, the statements required by this paragraph may be made on the basis of the judgment creditor's information and belief.

(6) A statement setting forth the name and address of the judgment creditor.

(c) A properly authenticated copy of the sister state judgment shall be attached to the application.

SEC. 3. Section 1710.20 of the Code of Civil Procedure is amended to read:

1710.20. (a) The application shall be filed in a municipal or justice court in all cases in which the sister state judgment amounts to fifteen thousand dollars ($15,000) or less and in a superior court in all other cases.

(b) Subject to the power of the court to transfer proceedings under this chapter pursuant to Title 4 (commencing with Section 392) of Part 2, the proper county for the filing of an application is any of the following:

(1) The county in which any judgment debtor resides; or

(2) If no judgment debtor is a resident, any county in this state.

SEC. 4. Section 1710.25 of the Code of Civil Procedure is amended to read:

1710.25. (a) Upon the filing of the application, the clerk shall enter a judgment based upon the application for the total of the following amounts as shown therein:

(1) The amount remaining unpaid under the sister state judgment.

(2) The amount of interest accrued on the sister state judgment (computed at the rate of interest applicable to the judgment under the law of the sister state).

(3) The amount of the fee for filing the application for entry of the sister state judgment.

(b) Entry shall be made in the same manner as entry of an original judgment of the court. From the time of entry, interest shall accrue on the judgment so entered at the rate of interest applicable to a judgment entered in this state.

SEC. 5. Section 1710.35 of the Code of Civil Procedure is amended to read:

1710.35. Except as otherwise provided in this chapter, a judgment entered pursuant to this chapter shall have the same effect as an original money judgment of the court and may be enforced or satisfied in like manner.

CHAPTER 312

An act to amend Sections 2410, 2416, 2421, 2433, 2434, and 2437 of, to add Section 2432.5 to, and to add Chapter 4 (commencing with Section 2500) to Title 9 of Part 4 of Division 3 of, the Civil Code, relating to powers of attorney.

[Approved by Governor July 6, 1984. Filed with Secretary of State July 6, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 2410 of the Civil Code is amended to read:

2410. As used in this article:

(a) "Attorney in fact" means an attorney in fact designated in a power of attorney.

(b) "Durable power of attorney for health care" means a durable power of attorney to the extent that it authorizes an attorney in fact to make health care decisions, as defined in Section 2430, for the principal.

(c) "Power of attorney" means a written power of attorney, durable or otherwise, which designates for a natural person an attorney in fact. For the purposes of this article, a power of attorney does not include a proxy given by a person to another person with respect to the exercise of voting rights that is governed by any other statute of California.

(d) "Principal" means the natural person who has designated another as his or her attorney in fact in a power of attorney.

SEC. 2. Section 2416 of the Civil Code is amended to read:

2416. The court may dismiss a petition when it appears that the proceeding is not necessary for the protection of the interests of the principal or the principal's estate and shall stay or dismiss the proceeding in whole or in part when required by Section 410.30 of the Code of Civil Procedure.

SEC. 3. Section 2421 of the Civil Code is amended to read:

2421. (a) Except as provided in subdivisions (b), (c), and (d), a power of attorney may expressly eliminate the authority of any person listed in Section 2411 to petition the court under this article for any one or more of the purposes enumerated in Section 2412 or 2412.5 if both of the following requirements are met:

(1) The power of attorney is executed by the principal at a time when the principal has the advice of a lawyer authorized to practice law in the state where the power of attorney is executed.

(2) The principal's lawyer signs a certificate stating in substance: "I am a lawyer authorized to practice law in the state where this power of attorney was executed, and the principal was my client at the time this power of attorney was executed. I have advised my client concerning his or her rights in connection with this power of attorney and the applicable law and the consequences of signing or

not signing this power of attorney, and my client, after being so advised, has executed this power of attorney."

(b) Notwithstanding any provision of the power of attorney, except as provided in subdivision (c), the conservator of the estate of the principal may petition the court under this article for any one or more of the purposes enumerated in Section 2412.

(c) Notwithstanding any provision of the power of attorney, in the case of a durable power of attorney for health care, the conservator of the person of the principal may petition the court under this article for any of the purposes enumerated in subdivisions (a), (c), and (d) of Section 2412.5.

(d) Notwithstanding any provision of the power of attorney, in the case of a durable power of attorney for health care, the attorney in fact may petition the court under this article for any of the purposes enumerated in subdivisions (a) and (b) of Section 2412.5.

SEC. 4. Section 2432.5 is added to the Civil Code, to read:

2432.5. Notwithstanding subdivision (b) of Section 2432, an employee of the treating health care provider or an employee of an operator of a community care facility may be designated as the attorney in fact to make health care decisions under a durable power of attorney if (a) the employee so designated is a relative of the principal by blood, marriage, or adoption, and (b) the other requirements of this article are satisfied.

SEC. 5. Section 2433 of the Civil Code is amended to read:

2433. (a) A printed form of a durable power of attorney for health care sold in this state for use by a person who does not have the advice of legal counsel shall provide no other authority than the authority to make health care decisions on behalf of the principal and shall include the following notice in 10-point boldface type:

WARNING TO PERSON EXECUTING THIS DOCUMENT

This is an important legal document. It creates a durable power of attorney for health care. Before executing this document, you should know these important facts:

This document gives the person you designate as your attorney in fact the power to make health care decisions for you, subject to any limitations or statement of your desires that you include in this document. The power to make health care decisions for you may include consent, refusal of consent, or withdrawal of consent to any care, treatment, service, or procedure to maintain, diagnose, or treat a physical or mental condition. You may state in this document any types of treatment or placements that you do not desire.

The person you designate in this document has a duty to act consistent with your desires as stated in this document or otherwise made known or, if your desires are unknown, to act in your best interests.

Except as you otherwise specify in this document, the power of the person you designate to make health care decisions for you may

include the power to consent to your doctor not giving treatment or stopping treatment which would keep you alive.

Unless you specify a shorter period in this document, this power will exist for seven years from the date you execute this document and, if you are unable to make health care decisions for yourself at the time when this seven-year period ends, this power will continue to exist until the time when you become able to make health care decisions for yourself.

Notwithstanding this document, you have the right to make medical and other health care decisions for yourself so long as you can give informed consent with respect to the particular decision. In addition, no treatment may be given to you over your objection, and health care necessary to keep you alive may not be stopped if you object.

You have the right to revoke the appointment of the person designated in this document by notifying that person of the revocation orally or in writing.

You have the right to revoke the authority granted to the person designated in this document to make health care decisions for you by notifying the treating physician, hospital, or other health care provider orally or in writing.

The person designated in this document to make health care decisions for you has the right to examine your medical records and to consent to their disclosure unless you limit this right in this document.

If there is anything in this document that you do not understand, you should ask a lawyer to explain it to you.

(b) The printed form described in subdivision (a) shall also include the following notice: "This power of attorney will not be valid for making health care decisions unless it is either (1) signed by two qualified witnesses who are personally known to you and who are present when you sign or acknowledge your signature or (2) acknowledged before a notary public in California."

(c) A durable power of attorney prepared in this state that permits the attorney in fact to make health care decisions and that is not a printed form shall include one of the following:

(1) The substance of the statements provided for in subdivision (a) in capital letters.

(2) A certificate signed by the principal's lawyer stating: "I am a lawyer authorized to practice law in the state where this power of attorney was executed, and the principal was my client at the time this power of attorney was executed. I have advised my client concerning his or her rights in connection with this power of attorney and the applicable law and the consequences of signing or not signing this power of attorney, and my client, after being so advised, has executed this power of attorney."

(d) If a durable power of attorney includes the certificate provided for in paragraph (2) of subdivision (c) and permits the attorney in fact to make health care decisions for the principal, the

applicable law of which the client is to be advised by the lawyer signing the certificate includes, but is not limited to, the matters listed in subdivision (a).

SEC. 6. Section 2434 of the Civil Code is amended to read:

2434. (a) Unless the durable power of attorney provides otherwise, the attorney in fact designated in a durable power of attorney for health care who is known to the health care provider to be available and willing to make health care decisions has priority over any other person to act for the principal in all matters of health care decisions, but the attorney in fact does not have authority to make a particular health care decision if the principal is able to give informed consent with respect to that decision.

(b) Subject to any limitations in the durable power of attorney, the attorney in fact designated in a durable power of attorney for health care may make health care decisions for the principal, before or after the death of the principal, to the same extent as the principal could make health care decisions for himself or herself if the principal had the capacity to do so, including; (1) making a disposition under the Uniform Anatomical Gift Act, Chapter 3.5 (commencing with Section 7150.5) of Part 1 of Division 7 of the Health and Safety Code, (2) authorizing an autopsy under Section 7113 of the Health and Safety Code, and (3) directing the disposition of remains under Section 7100 of the Health and Safety Code. In exercising the authority under the durable power of attorney for health care, the attorney in fact has a duty to act consistent with the desires of the principal as expressed in the durable power of attorney or otherwise made known to the attorney in fact at any time or, if the principal's desires are unknown, to act in the best interests of the principal.

(c) Nothing in this article affects any right the person designated as attorney in fact may have, apart from the durable power of attorney for health care, to make or participate in the making of health care decisions on behalf of the principal.

SEC. 7. Section 2437 of the Civil Code is amended to read:

2437. (a) At any time while the principal has the capacity to give a durable power of attorney for health care, the principal may do any of the following:

(1) Revoke the appointment of the attorney in fact under the durable power of attorney for health care by notifying the attorney in fact orally or in writing.

(2) Revoke the authority granted to the attorney in fact to make health care decisions by notifying the health care provider orally or in writing.

(b) If the principal notifies the health care provider orally or in writing that the authority granted to the attorney in fact to make health care decisions is revoked, the health care provider shall make the notification a part of the principal's medical records and shall make a reasonable effort to notify the attorney in fact of the revocation.

(c) It is presumed that the principal has the capacity to revoke a durable power of attorney for health care. This presumption is a presumption affecting the burden of proof.

(d) Unless it provides otherwise, a valid durable power of attorney for health care revokes any prior durable power of attorney for health care.

(e) Unless the durable power of attorney expressly provides otherwise, if after executing a durable power of attorney for health care the principal's marriage is dissolved or annulled, the dissolution or annulment revokes any designation of the former spouse as an attorney in fact to make health care decisions for the principal. If any designation is revoked solely by this subdivision, it is revived by the principal's remarriage to the former spouse.

(f) If authority granted by a durable power of attorney for health care is revoked under this section, a person is not subject to criminal prosecution or civil liability for acting in good faith reliance upon the durable power of attorney unless the person has actual knowledge of the revocation.

SEC. 8. Chapter 4 (commencing with Section 2500) is added to Title 9 of Part 4 of Division 3 of the Civil Code, to read:

CHAPTER 4. STATUTORY FORM DURABLE POWER OF ATTORNEY FOR HEALTH CARE

2500. The use of the following form in the creation of a durable power of attorney for health care under Article 5 (commencing with Section 2430) of Chapter 2 is lawful, and when used, the power of attorney shall be construed in accordance with the provisions of this chapter and shall be subject to the provisions of Article 5 (commencing with Section 2430) of Chapter 2.

STATUTORY FORM DURABLE POWER OF ATTORNEY FOR HEALTH CARE
(California Civil Code Section 2500)

WARNING TO PERSON EXECUTING THIS DOCUMENT

THIS IS AN IMPORTANT LEGAL DOCUMENT WHICH IS AUTHORIZED BY THE KEENE HEALTH CARE AGENT ACT. BEFORE EXECUTING THIS DOCUMENT, YOU SHOULD KNOW THESE IMPORTANT FACTS:

THIS DOCUMENT GIVES THE PERSON YOU DESIGNATE AS YOUR AGENT (THE ATTORNEY IN FACT) THE POWER TO MAKE HEALTH CARE DECISIONS FOR YOU. YOUR AGENT MUST ACT CONSISTENTLY WITH YOUR DESIRES AS STATED IN THIS DOCUMENT OR OTHERWISE MADE KNOWN.

EXCEPT AS YOU OTHERWISE SPECIFY IN THIS DOCUMENT, THIS DOCUMENT GIVES YOUR AGENT THE

POWER TO CONSENT TO YOUR DOCTOR NOT GIVING TREATMENT OR STOPPING TREATMENT NECESSARY TO KEEP YOU ALIVE.

NOTWITHSTANDING THIS DOCUMENT, YOU HAVE THE RIGHT TO MAKE MEDICAL AND OTHER HEALTH CARE DECISIONS FOR YOURSELF SO LONG AS YOU CAN GIVE INFORMED CONSENT WITH RESPECT TO THE PARTICULAR DECISION. IN ADDITION, NO TREATMENT MAY BE GIVEN TO YOU OVER YOUR OBJECTION AT THE TIME, AND HEALTH CARE NECESSARY TO KEEP YOU ALIVE MAY NOT BE STOPPED OR WITHHELD IF YOU OBJECT AT THE TIME.

THIS DOCUMENT GIVES YOUR AGENT AUTHORITY TO CONSENT, TO REFUSE TO CONSENT, OR TO WITHDRAW CONSENT TO ANY CARE, TREATMENT, SERVICE, OR PROCEDURE TO MAINTAIN, DIAGNOSE, OR TREAT A PHYSICAL OR MENTAL CONDITION. THIS POWER IS SUBJECT TO ANY STATEMENT OF YOUR DESIRES AND ANY LIMITATIONS THAT YOU INCLUDE IN THIS DOCUMENT. YOU MAY STATE IN THIS DOCUMENT ANY TYPES OF TREATMENT THAT YOU DO NOT DESIRE. IN ADDITION, A COURT CAN TAKE AWAY THE POWER OF YOUR AGENT TO MAKE HEALTH CARE DECISIONS FOR YOU IF YOUR AGENT (1) AUTHORIZES ANYTHING THAT IS ILLEGAL, (2) ACTS CONTRARY TO YOUR KNOWN DESIRES, OR (3) WHERE YOUR DESIRES ARE NOT KNOWN, DOES ANYTHING THAT IS CLEARLY CONTRARY TO YOUR BEST INTERESTS.

UNLESS YOU SPECIFY A SHORTER PERIOD IN THIS DOCUMENT, THIS POWER WILL EXIST FOR SEVEN YEARS FROM THE DATE YOU EXECUTE THIS DOCUMENT AND, IF YOU ARE UNABLE TO MAKE HEALTH CARE DECISIONS FOR YOURSELF AT THE TIME WHEN THIS SEVEN-YEAR PERIOD ENDS, THIS POWER WILL CONTINUE TO EXIST UNTIL THE TIME WHEN YOU BECOME ABLE TO MAKE HEALTH CARE DECISIONS FOR YOURSELF.

YOU HAVE THE RIGHT TO REVOKE THE AUTHORITY OF YOUR AGENT BY NOTIFYING YOUR AGENT OR YOUR TREATING DOCTOR, HOSPITAL, OR OTHER HEALTH CARE PROVIDER ORALLY OR IN WRITING OF THE REVOCATION.

YOUR AGENT HAS THE RIGHT TO EXAMINE YOUR MEDICAL RECORDS AND TO CONSENT TO THEIR DISCLOSURE UNLESS YOU LIMIT THIS RIGHT IN THIS DOCUMENT.

UNLESS YOU OTHERWISE SPECIFY IN THIS DOCUMENT, THIS DOCUMENT GIVES YOUR AGENT THE POWER AFTER YOU DIE TO DONATE YOUR BODY OR PARTS THEREOF FOR TRANSPLANT OR THERAPEUTIC OR EDUCATIONAL OR SCIENTIFIC PURPOSES.

THIS DOCUMENT REVOKES ANY PRIOR DURABLE POWER OF ATTORNEY FOR HEALTH CARE.

YOU SHOULD CAREFULLY READ AND FOLLOW THE WITNESSING PROCEDURE DESCRIBED AT THE END OF THIS FORM. THIS DOCUMENT WILL NOT BE VALID UNLESS YOU COMPLY WITH THE WITNESSING PROCEDURE.

IF THERE IS ANYTHING IN THIS DOCUMENT THAT YOU DO NOT UNDERSTAND, YOU SHOULD ASK A LAWYER TO EXPLAIN IT TO YOU.

YOUR AGENT MAY NEED THIS DOCUMENT IMMEDIATELY IN CASE OF AN EMERGENCY THAT REQUIRES A DECISION CONCERNING YOUR HEALTH CARE. EITHER KEEP THIS DOCUMENT WHERE IT IS IMMEDIATELY AVAILABLE TO YOUR AGENT AND ALTERNATE AGENTS OR GIVE EACH OF THEM AN EXECUTED COPY OF THIS DOCUMENT. YOU MAY ALSO WANT TO GIVE YOUR DOCTOR AN EXECUTED COPY OF THIS DOCUMENT.

DO NOT USE THIS FORM IF YOU ARE A CONSERVATEE UNDER THE LANTERMAN-PETRIS-SHORT ACT AND YOU WANT TO APPOINT YOUR CONSERVATOR AS YOUR AGENT. YOU CAN DO THAT ONLY IF THE APPOINTMENT DOCUMENT INCLUDES A CERTIFICATE OF YOUR ATTORNEY.

1. DESIGNATION OF HEALTH CARE AGENT. I, _____

_____

(Insert your name and address)

do hereby designate and appoint _____

_____

(Insert name, address, and telephone number of one individual only as your agent to make health care decisions for you. None of the following may be designated as your agent: (1) your treating health care provider, (2) a nonrelative employee of your treating health care provider, (3) an operator of a community care facility, or (4) a nonrelative employee of an operator of a community care facility)

as my attorney in fact (agent) to make health care decisions for me as authorized in this document. For the purposes of this document, "health care decision" means consent, refusal of consent, or withdrawal of consent to any care, treatment, service, or procedure to maintain, diagnose, or treat an individual's physical or mental condition.

2. CREATION OF DURABLE POWER OF ATTORNEY FOR HEALTH CARE. By this document I intend to create a durable power of attorney for health care under Sections 2430 to 2443, inclusive, of the California Civil Code. This power of attorney is authorized by the Keene Health Care Agent Act and shall be construed in accordance with the provisions of Sections 2500 to 2506, inclusive, of the California Civil Code. This power of attorney shall not be affected by my subsequent incapacity.

3. GENERAL STATEMENT OF AUTHORITY GRANTED. Subject to any limitations in this document, I hereby grant to my agent full power and authority to make health care decisions for me

to the same extent that I could make such decisions for myself if I had the capacity to do so. In exercising this authority, my agent shall make health care decisions that are consistent with my desires as stated in this document or otherwise made known to my agent, including, but not limited to, my desires concerning obtaining or refusing or withdrawing life-prolonging care, treatment, services, and procedures.

(If you want to limit the authority of your agent to make health care decisions for you, you can state the limitations in paragraph 4 ("Statement of Desires, Special Provisions, and Limitations") below. You can indicate your desires by including a statement of your desires in the same paragraph.)

4. STATEMENT OF DESIRES, SPECIAL PROVISIONS, AND LIMITATIONS.

(Your agent must make health care decisions that are consistent with your known desires. You can, but are not required to, state your desires in the space provided below. You should consider whether you want to include a statement of your desires concerning life-prolonging care, treatment, services, and procedures. You can also include a statement of your desires concerning other matters relating to your health care. You can also make your desires known to your agent by discussing your desires with your agent or by some other means If there are any types of treatment that you do not want to be used, you should state them in the space below. If you want to limit in any other way the authority given your agent by this document, you should state the limits in the space below. If you do not state any limits, your agent will have broad powers to make health care decisions for you, except to the extent that there are limits provided by law.)

In exercising the authority under this durable power of attorney for health care, my agent shall act consistently with my desires as stated below and is subject to the special provisions and limitations stated below:

(a) Statement of desires concerning life-prolonging care, treatment, services, and procedures:

_____

_____

_____

_____

_____

_____

_____

_____

(b) Additional statement of desires, special provisions, and limitations: _____

_____

_____

_____

_____

_____

_____

_____

_____

(You may attach additional pages if you need more space to complete your statement. If you attach additional pages, you must date and sign EACH of the additional pages at the same time you date and sign this document)

5. INSPECTION AND DISCLOSURE OF INFORMATION RELATING TO MY PHYSICAL OR MENTAL HEALTH. Subject to any limitations in this document, my agent has the power and authority to do all of the following:

(a) Request, review, and receive any information, verbal or written, regarding my physical or mental health, including, but not limited to, medical and hospital records.

(b) Execute on my behalf any releases or other documents that may be required in order to obtain this information.

(c) Consent to the disclosure of this information.

(If you want to limit the authority of your agent to receive and disclose information relating to your health, you must state the limitations in paragraph 4 ("Statement of Desires, Special Provisions, and Limitations") above.)

6. SIGNING DOCUMENTS, WAIVERS, AND RELEASES. Where necessary to implement the health care decisions that my agent is authorized by this document to make, my agent has the power and authority to execute on my behalf all of the following:

(a) Documents titled or purporting to be a "Refusal to Permit Treatment" and "Leaving Hospital Against Medical Advice."

(b) Any necessary waiver or release from liability required by a hospital or physician.

7. UNIFORM ANATOMICAL GIFT ACT. Subject to any limitations in this document, my agent has the power and authority to make a disposition of a part or parts of my body under the Uniform Anatomical Gift Act (Chapter 3.5 (commencing with Section 7150) of Part 1 of Division 7 of the Health and Safety Code).

(If you want to limit the authority of your agent to make a disposition under the Uniform Anatomical Gift Act, you must state the limitations in paragraph 4 ("Statement of Desires, Special Provisions, and Limitations") above.)

8. DURATION.

(Unless you specify a shorter period in the space below, this power of attorney will exist for seven years from the date you execute this document and, if you are unable to make health care decisions for yourself at the time when this seven-year period ends, the power will continue to exist until the time when you become able to make health care decisions for yourself.)

This durable power of attorney for health care expires on _____

(Fill in this space ONLY if you want the authority of your agent to end EARLIER than the seven-year period described above)

9. DESIGNATION OF ALTERNATE AGENTS.

(You are not required to designate any alternate agents but you may do so Any alternate agent you designate will be able to make the same health care decisions as the agent you designated in paragraph 1, above, in the event that agent is unable or

ineligible to act as your agent. If the agent you designated is your spouse, he or she becomes ineligible to act as your agent if your marriage is dissolved.)

If the person designated as my agent in paragraph 1 is not available or becomes ineligible to act as my agent to make a health care decision for me or loses the mental capacity to make health care decisions for me, or if I revoke that person's appointment or authority to act as my agent to make health care decisions for me, then I designate and appoint the following persons to serve as my agent to make health care decisions for me as authorized in this document, such persons to serve in the order listed below:

A. First Alternate Agent _____

_____

(Insert name, address, and telephone number of first alternate agent)

B. Second Alternate Agent _____

_____

(Insert name, address, and telephone number of second alternate agent)

10. NOMINATION OF CONSERVATOR OF PERSON.

(A conservator of the person may be appointed for you if a court decides that one should be appointed. The conservator is responsible for your physical care, which under some circumstances includes making health care decisions for you. You are not required to nominate a conservator but you may do so. The court will appoint the person you nominate unless that would be contrary to your best interests You may, but are not required to, nominate as your conservator the same person you named in paragraph 1 as your health care agent You can nominate an individual as your conservator by completing the space below.)

If a conservator of the person is to be appointed for me, I nominate the following individual to serve as conservator of the person _____

_____

(Insert name and address of person nominated as conservator of the person)

11. PRIOR DESIGNATIONS REVOKED. I revoke any prior durable power of attorney for health care.

DATE AND SIGNATURE OF PRINCIPAL

(YOU MUST DATE AND SIGN THIS POWER OF ATTORNEY)

I sign my name to this Statutory Form Durable Power of Attorney for Health Care on _____ at
(Date)

_____, _____.
(City) (State)

_____
(You sign here)

(THIS POWER OF ATTORNEY WILL NOT BE VALID UNLESS IT IS SIGNED BY TWO QUALIFIED WITNESSES WHO ARE PRESENT WHEN YOU SIGN OR ACKNOWLEDGE YOUR SIGNATURE IF YOU HAVE ATTACHED ANY

ADDITIONAL PAGES TO THIS FORM, YOU MUST DATE AND SIGN EACH OF THE ADDITIONAL PAGES AT THE SAME TIME YOU DATE AND SIGN THIS POWER OF ATTORNEY.)

STATEMENT OF WITNESSES

(This document must be witnessed by two qualified adult witnesses. None of the following may be used as a witness: (1) a person you designate as your agent or alternate agent, (2) a health care provider, (3) an employee of a health care provider, (4) the operator of a community care facility, (5) an employee of an operator of a community care facility At least one of the witnesses must make the additional declaration set out following the place where the witnesses sign.)

I declare under penalty of perjury under the laws of California that the person who signed or acknowledged this document is personally known to me (or proved to me on the basis of convincing evidence) to be the principal, that the principal signed or acknowledged this durable power of attorney in my presence, that the principal appears to be of sound mind and under no duress, fraud, or undue influence, that I am not the person appointed as attorney in fact by this document, and that I am not a health care provider, an employee of a health care provider, the operator of a community care facility, nor an employee of an operator of a community care facility.

Signature: _____ Residence Address: _____
Print Name: _____ _____
Date: _____ _____

Signature: _____ Residence Address: _____
Print Name: _____ _____
Date: _____ _____

(AT LEAST ONE OF THE ABOVE WITNESSES MUST ALSO SIGN THE FOLLOWING DECLARATION.)

I further declare under penalty of perjury under the laws of California that I am not related to the principal by blood, marriage, or adoption, and, to the best of my knowledge, I am not entitled to any part of the estate of the principal upon the death of the principal under a will now existing or by operation of law.

Signature: _____

Signature: _____

STATEMENT OF PATIENT ADVOCATE OR OMBUDSMAN

(If you are a patient in a skilled nursing facility, one of the witnesses must be a patient advocate or ombudsman The following statement is required only if you are a patient in a skilled nursing facility--a health care facility that provides the following basic services: skilled nursing care and supportive care to patients whose primary need is for availability of skilled nursing care on an extended basis. The patient advocate or ombudsman must sign both parts of the "Statement of Witnesses" above AND must

also sign the following statement.)

I further declare under penalty of perjury under the laws of California that I am a patient advocate or ombudsman as designated by the State Department of Aging and that I am serving as a witness as required by subdivision (f) of Section 2432 of the Civil Code.

Signature: _____

2501. (a) Notwithstanding Section 2433, except as provided in subdivision (b), a statutory form durable power of attorney for health care, to be valid, shall contain, in not less than 10-point boldface type or a reasonable equivalent thereof, the warning statement which is printed in capital letters at the beginning of Section 2500.

(b) Subdivision (a) does not apply if the statutory form durable power of attorney for health care contains a certificate signed by the principal's lawyer stating: "I am a lawyer authorized to practice law in the state where this power of attorney was executed, and the principal was my client at the time when this power of attorney was executed. I have advised my client concerning his or her rights in connection with this power of attorney and the applicable law and the consequences of signing or not signing this power of attorney, and my client, after being so advised, has executed this power of attorney."

2502. (a) Notwithstanding paragraph (2) of subdivision (a) of Section 2432, a statutory form durable power of attorney for health care is valid, and the designated attorney in fact may make health care decisions pursuant to such authority, only if it (1) contains the date of its execution, (2) is signed by the principal, and (3) is signed by two qualified witnesses, each of whom executes, under penalty of perjury, the declaration set out in the first paragraph of the "Statement of Witnesses" in the form set out in Section 2500, and one of whom also executes the declaration under penalty of perjury set out in the second paragraph of the "Statement of Witnesses" in the form set out in Section 2500.

(b) Nothing in this section excuses compliance with the special requirements imposed by subdivisions (c) and (f) of Section 2432.

2503. (a) Subject to subdivisions (b), (c), and (d), a power of attorney is a "statutory form durable power of attorney for health care," as this phrase is used in this chapter, if it meets both of the following requirements:

(1) It meets the requirements of Sections 2501 and 2502.

(2) It includes the exact wording of the text of paragraphs 1, 2, 3, and 4 of the form set out in Section 2500.

(b) A statutory form durable power of attorney for health care may include one or more or all of paragraphs 5 to 11, inclusive, of the form set out in Section 2500.

(c) A printed statutory form durable power of attorney for

health care sold or otherwise distributed in this state for use by a person who does not have the advice of legal counsel shall contain the exact wording of the form set out in Section 2500, including the warning and instructions, and nothing else. Nothing in this subdivision prohibits selling or otherwise distributing with the printed form (1) material that explains the form and its use if such material is separate from the printed form itself and is not a part of the form executed by the principal or (2) one or more additional pages that are separate from the printed form itself that a person may attach to the printed form as provided in subdivision (d) if the person so chooses.

(d) If one or more additional pages are attached to a statutory form durable power of attorney for health care as a statement, or additional statement, to be a part of subparagraph (a) or (b), or both, of paragraph 4 ("Statement of Desires, Special Provisions, and Limitations") of the form set forth in Section 2500, each of the additional pages shall be dated and signed by the principal at the same time the principal dates and signs the statutory form durable power of attorney for health care.

2504. In a statutory form durable power of attorney for health care, the language conferring general authority with respect to "health care decisions" authorizes the attorney in fact to select and discharge physicians, dentists, nurses, therapists, and other health care professionals as the attorney in fact determines necessary to carry out the health care decisions the attorney in fact is authorized by the power of attorney to make.

2505. If a document described in paragraph 5 or 6 of the form set out in Section 2500 is executed on behalf of the principal by the attorney in fact in the exercise of authority granted to the attorney in fact by paragraph 5 or 6 of the form set out in Section 2500, the document has the same effect as if the principal had executed the document at the same time and under the same circumstances and had the capacity to execute the document at that time.

2506. If the authority of the attorney in fact under the statutory form durable power of attorney for health care is terminated by the court under Article 4 (commencing with Section 2410) of Chapter 2, an alternate agent designated in the statutory form durable power of attorney for health care is not authorized to act as the attorney in fact unless the court so orders. In the order terminating the authority of the attorney in fact to make health care decisions for the principal, the court shall authorize the alternate agent, if any, designated in the statutory form durable power of attorney for health care to act as the attorney in fact to make health care decisions for the principal under the durable power of attorney for health care unless the court finds that authorizing that alternate agent to make health care decisions for the principal would not be in the best interests of the principal.

2507. Nothing in this chapter affects or limits the use of any other form for a durable power of attorney for health care. Any

form complying with the requirements of Article 5 (commencing with Section 2430) of Chapter 2 may be used in lieu of the form provided by Section 2500, and none of the provisions of this chapter apply if such other form is used.

2508. This chapter shall be known and may be cited as the Keene Health Care Agent Act.

SEC. 9. The amendments of Sections 2421 and 2433 of the Civil Code made by this act apply only to a power of attorney executed on or after January 1, 1985, and do not affect the validity of a power of attorney executed prior to that date.

CHAPTER 313

An act relating to seismic safety, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 6, 1984. Filed with Secretary of State July 6, 1984]

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) The state's major metropolitan areas are subject to potentially devastating large magnitude earthquakes and earth scientists estimate that there is a high probability that one or more large earthquakes will occur in California between now and the end of the century.

(b) Section 8895.1 of the Government Code requires the Seismic Safety Commission, in conjunction with other local, state, and federal agencies, to undertake a program to prepare the state for responding to a major earthquake prediction. This program was to be implemented on a prototype basis in one area of the state, if it is useful for application in other areas of the state upon its completion.

(c) Through the work of the Seismic Safety Commission's Southern California Earthquake Preparedness Project, prototype plans, planning processes, and educational materials have been developed to enable local jurisdictions to accelerate comprehensive earthquake preparedness activities and the initial phase of an effort modeled on the Southern California Earthquake Preparedness Project has been undertaken in the San Francisco Bay area.

SEC. 2. It is the intent of the Legislature that the work of the Southern California Earthquake Preparedness Project be continued for a period of three years to further comprehensive earthquake preparedness planning in southern California and that a similar effort be carried out in the San Francisco Bay area.

SEC. 3. The objectives of the preparedness projects established by this act are all of the following:

(a) Promote comprehensive earthquake preparedness actions by local jurisdictions, volunteer agencies and associations, and the private sector in southern and northern California.

(b) Provide planning assistance and coordination in the development of improved regional response capabilities for predicted or unpredicted major earthquakes, including programs of tests and exercises.

(c) Provide technical and planning assistance to local jurisdictions in the development and implementation of programs of hazard mitigation and prevention to reduce earthquake vulnerability.

(d) Establish a local incentive grant program to promote demonstration projects in comprehensive earthquake preparedness. Those demonstration projects shall be for activities not supported by existing local, state, or federal programs or funding sources. Local jurisdictions submitting grant applications shall provide matching funds or in-kind contributions, or both, which are 50 percent of the total grant request. The Executive Director of the Seismic Safety Commission and the Director of the Office of Emergency Services shall jointly select from among applications submitted, those projects to be supported through this incentive program.

(e) All plans and programs shall be voluntary and shall not be imposed on or required of any local jurisdiction, volunteer agency or association, or private sector entity.

SEC. 4. As used in this act, "local jurisdiction" means a city, county, city and county, district, or council of governments.

SEC. 5. The earthquake preparedness activities established under this act shall be carried out as a joint project of the Seismic Safety Commission and the Office of Emergency Services and shall utilize scientific information and recommendations provided by the Department of Conservation. The Seismic Safety Commission shall provide the administrative management of the preparedness project in northern California, and the Office of Emergency Services shall provide the administrative management of the preparedness project in southern California. Other arrangements relating to the coordination of the preparedness activities established under this act shall be made, through mutual agreement, by the Executive Director of the Seismic Safety Commission and the Director of the Office of Emergency Services.

SEC. 6. The sum of seven hundred fifty thousand dollars ($750,000) is hereby appropriated from the General Fund for the 1984–1985 fiscal year, to be allocated three hundred seventy-five thousand dollars ($375,000) to the Seismic Safety Commission and three hundred seventy-five thousand dollars ($375,000) to the Office of Emergency Services for the purpose of furthering conprehensive earthquake preparedness in southern and northern California.

However, those funds shall not be encumbered unless and until the Seismic Safety Commission and the Office of Emergency Services each receive matching federal assistance funds.

SEC. 7. This act is an urgency statute necessary for the

immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that this act may become operative on July 1, 1984, the beginning of the 1984–85 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 314

An act to add Section 11895 to the Public Utilities Code, relating to municipal utility districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 6, 1984. Filed with Secretary of State July 9, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 11895 is added to the Public Utilities Code, to read:

11895. A district may, by resolution adopted by a majority of the board, change its name. A certified copy of the resolution changing the name of the district shall be recorded in each county included in whole or in part within the district and shall be transmitted to the Secretary of State and the Treasurer.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for a municipal utility district which alters or expands its services or the territory served by it to promptly adopt a name in keeping with the nature of its services rendered for the public benefit, it is necessary that this act take effect immediately.

CHAPTER 315

An act to amend Section 26980 of the Government Code, relating to county officers.

[Approved by Governor July 6, 1984. Filed with Secretary of State July 9, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 26980 of the Government Code is amended to read:

26980. The board of supervisors of any county may establish the

office of director of finance.

(a) The board of supervisors shall submit to the electors of the county the question of whether the office of director of finance shall be established. If a majority of the voters voting on the question at such election favor the establishment of the office, the board of supervisors shall, by ordinance, create the office.

(b) The board of supervisors at that election may also submit to the voters the question of whether the office, if so established, shall be elective, or appointed by the board of supervisors. If a majority of the voters voting on the question favor making the office elective, the board of supervisors shall, in the ordinance creating the office, make it an elective one.

CHAPTER 316

An act to amend Section 3073 of the Labor Code, relating to apprenticeship.

[Approved by Governor July 6, 1984 Filed with Secretary of State July 9, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 3073 of the Labor Code is amended to read:

3073. The Chief of the Division of Apprenticeship Standards, or his or her duly authorized representative, shall administer the provisions of this chapter; act as secretary of the California Apprenticeship Council; cooperate in the development of apprenticeship programs and may advise with them on problems affecting apprenticeship standards; shall audit all selection and disciplinary proceedings of apprentices or prospective apprentices; may enter joint agreements with the Employment Development Department outreach education and employment programs, and educational institutions on the operation of apprenticeship information centers, including positive efforts to achieve information on equal opportunity and affirmative action programs for women and minorities; shall supervise and recommend apprenticeship agreements as to these standards and perform such other duties associated therewith as the California Apprenticeship Council may recommend. The chief shall coordinate the exchange, by the California Apprenticeship Council, the apprenticeship program sponsors, the Fair Employment and Housing Commission, community organizations, and other interested persons, of information on available minorities and women who may serve as apprentices.

CHAPTER 317

An act to add Section 277 to the Civil Code, and to add Section 399 to the Welfare and Institutions Code, relating to foster care.

[Approved by Governor July 6, 1984 Filed with Secretary of State July 9, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 277 is added to the Civil Code, to read:

277. Any minor being considered for placement in a foster home shall have the right to make a brief statement to the court making a decision on placement. The court may disregard any preferences expressed by the minor. The minor's right to make a statement shall not be limited to the initial placement, but shall continue for any proceedings concerning continued placement or a decision to return to parental custody.

SEC. 2. Section 399 is added to the Welfare and Institutions Code, to read:

399. Any minor being considered for placement in a foster home shall have the right to make a brief statement to the court making a decision on placement. The court may disregard any preferences expressed by the minor. The minor's right to make a statement shall not be limited to the initial placement, but shall continue for any proceedings concerning continued placement or a decision to return to parental custody.

CHAPTER 318

An act to amend Sections 70045.6, 73433, 73433.1, 73434, 73435, 73436, and 73437 of the Government Code, relating to courts.

[Approved by Governor July 6, 1984 Filed with Secretary of State July 9, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 70045.6 of the Government Code is amended to read:

70045.6. (a) In Kern County each regular reporter shall be paid a biweekly salary of one thousand two hundred five dollars and eighty-one cents ($1,205.81). The court reporter shall be paid biweekly pursuant to the payroll procedures in effect in the County of Kern.

(b) Beginning January 1, 1980, the board of supervisors may adjust the salary of each regular official reporter as part of its county employee compensation plan. Any adjustment to reporter salaries

shall be effective on the same date as the effective date of the board's action to adjust compensation of other county employees. Any adjustment shall be effective only until January 1 of the second year following the year in which the adjustment is made, unless ratified by the Legislature.

(c) In addition to the compensation provided for in this section, each regular official reporter shall be entitled to and shall receive, on the same basis as other county employees, the same benefits and privileges with respect to retirement, group insurance, sick leave, and vacations. Court reporters shall observe the same holidays as other court employees. For the purposes of determining participation in the county retirement system, the salary provided for such reporters in this section shall be deemed their entire compensation.

(d) Each pro tempore official reporter shall be paid one hundred dollars ($100) a day for the days he or she is actually on duty under order of the court.

SEC. 2. Section 73433 of the Government Code is amended to read:

73433. There shall be one clerk-administrator in each municipal court who shall be appointed by and serve at the pleasure of a majority of the judges of the court to which the clerk-administrator is appointed. In a court with less than three judges, the presiding judge shall appoint the clerk-administrator of the court. The clerk-administrator of the East Kern Municipal Court shall receive the biweekly salary specified in range 46.1 of the salary schedule. The clerk-administrator of the West Kern Municipal Court shall receive the biweekly salary specified in range 51.9 of the salary schedule. The salary of the West Kern Municipal Court clerk-administrator shall be not less than 12 full range steps higher than the salary range in which the position of chief deputy court clerk is compensated.

SEC. 3. Section 73433.1 of the Government Code is amended to read:

73433.1. There shall be one assistant clerk-administrator in the West Kern Municipal Court who shall be appointed by and serve at the pleasure of the majority of the judges of the court. The assistant clerk-administrator shall receive the biweekly salary specified in range 47.9 of the salary schedule.

SEC. 4. Section 73434 of the Government Code is amended to read:

73434. There shall be one judicial secretary in the West Kern Municipal Court who shall be appointed by and serve at the pleasure of a majority of the judges of the court. The judicial secretary shall receive a biweekly salary specified in range 38.8 of the salary schedule.

SEC. 5. Section 73435 of the Government Code is amended to read:

73435. The clerk-administrator of the West Kern Municipal Court may appoint:

(a) Three chief deputy court clerks who shall act as the supervisors of the civil, criminal, and traffic divisions of the court and each of whom shall receive the biweekly salary specified in range 39.3 of the salary schedule.

(b) Five deputy court clerks III, each of whom shall receive the biweekly salary specified in range 37.4 of the salary schedule.

(c) Sixteen municipal courtroom clerks or junior municipal courtroom clerks, each of whom shall receive the biweekly salary specified in ranges 37.4 and 34.6, respectively, of the salary schedule.

Junior municipal courtroom clerk shall be the entrance position to courtroom clerk. The clerk-administrator, with the concurrence of the presiding judge, may advance any junior municipal courtroom clerk to the position of municipal courtroom clerk without further examination, if the junior municipal courtroom clerk has served for six months and otherwise meets the qualifications for municipal courtroom clerk and if the presiding judge is satisfied with the junior municipal courtroom clerk's performance during the six-month period.

(d) One data entry operator III who shall receive the biweekly salary specified in range 34.3 of the salary schedule.

(e) Three data entry operators II or I, each of whom shall receive the biweekly salary specified in ranges 32.3 and 30.3, respectively, of the salary schedule. Data entry operator I shall be the entrance position to the data entry operator series. The clerk-administrator may advance any data entry operator I to the position of data entry operator II without further examination if the data entry operator I has served for one year and otherwise meets the qualifications for data entry operator II.

(f) One account clerk IV who shall receive the biweekly salary specified in range 36.9 of the salary schedule.

(g) One account clerk III who shall receive the biweekly salary specified in range 34.1 of the salary schedule.

(h) Six account clerks II or I each of whom shall receive the biweekly salary specified in ranges 31.4 and 28.6, respectively, of the salary schedule. Account clerk I shall be the entrance position to the account clerk series. The clerk-administrator may advance any account clerk I to the position of account clerk II without further examination if the account clerk I has served for one year and otherwise meets the qualifications for account clerk II.

(i) Twenty-nine full-time deputy court clerks II, I, or junior deputy court clerks, each of whom shall receive the biweekly salary specified in ranges 34.6, 30.6, and 27.8, respectively, of the salary schedule.

Junior deputy court clerk shall be the entrance position to the clerk's staff. The clerk-administrator may advance any junior deputy court clerk to the position of deputy court clerk I without further examination, if the junior deputy has served for six months and otherwise meets the qualifications for deputy court clerk I. The clerk-administrator may advance any deputy court clerk I to the

position of deputy court clerk II without further examination if the deputy court clerk I has served for six months and otherwise meets the qualifications for deputy court clerk II.

(j) One secretary who shall receive the biweekly salary specified in range 35.5 of the salary schedule.

(k) One legal clerk I who shall receive the biweekly salary specified in range 36.0 of the salary schedule.

(*l*) One records clerk who shall receive the biweekly salary specified in range 34.1 of the salary schedule.

(m) One accountant II or I who shall receive the biweekly salary specified in range 43.6 or 40.9, respectively, of the salary schedule.

(n) Two recording technicians, each of whom shall receive the biweekly salary specified in range 35.6 of the salary ordinance.

SEC. 6. Section 73436 of the Government Code is amended to read:

73436. The clerk-administrator of the East Kern Municipal Court may appoint:

(a) Three deputy court clerks III, each of whom shall receive the biweekly salary specified in range 37.4 of the salary schedule.

(b) Ten full-time and three part-time deputy court clerks II, I, or junior deputy court clerks, each of whom shall receive the biweekly salary specified in ranges 34.6, 30.6, and 27.8, respectively, of the salary schedule.

Junior deputy court clerk shall be the entrance position to the clerk's staff. The clerk-administrator may advance any junior deputy court clerk to the position of deputy court clerk I without further examination, if the junior deputy has served for six months and otherwise meets the qualifications for deputy court clerk I. The clerk-administrator may advance any deputy court clerk I to the position of deputy court clerk II without further examination if the deputy court clerk I has served for six months and otherwise meets the qualifications for deputy court clerk II.

SEC. 7. Section 73437 of the Government Code is amended to read:

73437. (a) Whenever reference to a numbered salary range of the salary schedule is made in any section of this article, the schedule of salary ranges found in the salary ordinance of the County of Kern in effect on January 1, 1984, shall apply. The employees of the municipal courts shall be paid biweekly pursuant to the payroll procedures in effect in the County of Kern.

(b) The minimum salary for each position shall normally be "step A" for the position. If it is difficult to secure qualified personnel at that step or if a person of unusual qualifications is engaged, the court or the clerk-administrator may hire at any step of the salary range applicable to the position.

(c) Any employee who is promoted or whose position is reclassified from one class position to a higher class position shall be placed in the step level of the higher class salary range which most closely approximates a one-step increase from the former position,

except that such increase shall not exceed an amount equivalent to 1.4 steps in the salary schedule. In the event the "A" step of the higher class position is greater than a 1.4-step increase over the salary of the employee in the lower class position, the employee shall be placed at the "A" step in the salary range of the higher class position.

(d) The Board of Supervisors of the County of Kern may adjust the salaries paid to employees of the municipal courts as part of its county employee compensation plan. Such adjustment shall be effective on the same date as the effective date of the action of the board of supervisors to adjust compensation of other county employees. Any adjustment shall be effective only until January 1 of the second year following the year in which the adjustment is made, unless ratified by the Legislature.

(e) In addition to the compensation provided in this article, the attachés of the municipal court shall receive, and they shall be entitled to, the same vacations, sick leaves, and similar privileges and benefits as are now or may hereafter be provided for the employees of the County of Kern, including the right to participate in any group, accident, health or life insurance plan adopted by the Board of Supervisors of the County of Kern.

SEC. 8. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

CHAPTER 319

An act to amend Sections 70059.7, 74642, 74643, 74644, 74645, and 74647 of the Government Code, relating to courts.

[Approved by Governor July 6, 1984 Filed with Secretary of State July 9, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 70059.7 of the Government Code is amended to read:

70059.7. In Santa Barbara County each regular official reporter shall be paid a biweekly salary which shall be one thousand two hundred twenty-two dollars and seventy-two cents ($1,222.72) which salary shall include payment for services in reporting all proceedings in the superior court, before the grand jury, and before coroners' inquests.

Reporters pro tempore shall be paid at the per diem rate of one hundred twenty-one dollars and ten cents ($121.10) for the days they are actually on duty under order of the court, and shall receive from

the county their necessary traveling and other expenses when necessarily called from other counties. Rates of compensation of regular official reporters and official reporters pro tempore may be adjusted by joint action and approval of the board of supervisors and a majority of the judges of the court, provided, however, that any changes in compensation which are made pursuant to this section shall be on an interim basis and shall remain in effect only until January 1, 1986, unless ratified by statute by the Legislature prior to that date.

In such a county, the fee required by Section 70053 shall be ten dollars ($10).

In addition to any fee otherwise required, in all contested civil trials wherein the services of a court reporter have been requested by any party to the action, a per diem fee shall be charged to the party requesting such service, or, at the discretion of the court, to the parties on a pro rata basis, for each day of court reporting service or portion thereof, equal to the per diem rate established for pro tempore reporters of the court. If the court assesses the reporter's fee on a pro rata basis, the reporter and fee attached thereto may be waived upon the timely stipulation of all parties. Fees in long-cause civil trials shall be posted with the clerk's office no later than 14 days prior to the date set for master calendar. Fees in short-cause civil trials of one day or less, shall be posted with the clerk's office no later than seven days prior to the date set for the short-cause calendar.

SEC. 2. Section 74642 of the Government Code is amended to read:

74642. Within the South Coast Judicial District there shall be the following officers, attachés, and employees:

South Coast Municipal Court		Salary Range
2	Account Clerk II	286
1	Account Clerk III	313
1	Assistant Clerk-Admin Officer-SB	420
1	Clerk-Admin Officer-SB	474
11	Clerk Typist II	276
10	Clerk Typist III	303
2	Data Entry Operator II	286
9	Municipal Court Clerk	323
3	Official Court Reporter Muni Court Bi-Wkly sal	1,222.72
1	Calendar Coordinator, Muni Court	371
1	Data Entry Operator III	300
1	Clerk II	276
1	Traffic Referee	1,526.08
1	Own Recognizance Officer	392
1	Own Recognizance Supervisor	412
3	Municipal Court Clerks, Sr.	337

Marshal-South Coast Municipal Court		Salary Range
1	Account Clerk II	286
1	Assistant Marshal-SB	449
2	Clerk II	276
1	Admin Services Clerk II	328
2	Clerk Typist II	276
7	Deputy Marshal	393
1	Marshal-SB	477
1	Marshal's Sergeant	428

SEC. 3. Section 74643 of the Government Code is amended to read:

74643. Within the Santa Maria Judicial District there shall be the following officers, attachés, and employees:

Santa Maria Municipal Court		Salary Range
1	Account Clerk III	313
1	Assistant Clerk-Admin Officer-SM	395
1	Chief Deputy Clerk	352
1	Clerk-Admin Officer-SM	442
3	Clerk Typist II	276
3	Clerk Typist III	303
3	Municipal Court Clerk	323
1	Account Clerk II	286
2	Data Entry Operator II	286

Marshal - Santa Maria Municipal Court		Salary Range
1	Account Clerk II	286
1	Account Clerk III	313
1	Assistant Marshal-SM	442
1	Clerk Typist II	276
4	Deputy Marshal	393
1	Deputy Marshal II	403
1	Marshal-SM	467

SEC. 4. Section 74644 of the Government Code is amended to read:

74644. Within the Lompoc Judicial District there shall be the following officers, attachés, and employees:

Municipal Court - Lompoc		Salary Range
1	Clerk-Admin Officer-Lompoc	420
1	Clerk Typist II	276
2	Clerk Typist III	303
1	Municipal Court Clerk	323
1	Assistant Clerk Admin Officer-Lompoc	379

Marshal-Lompoc Municipal Court	Salary Range
1 Admin Services Clerk I	328
1 Deputy Marshal	393
1 Marshal-Lompoc	454

SEC. 5. Section 74645 of the Government Code is amended to read:

74645. (a) It is the purpose of this section to provide compensation for municipal court employees and officers which is comparable to that paid to county employees holding equal or comparable positions in the Santa Barbara classified service as such comparability is determined by the Santa Barbara County Board of Supervisors.

(b) Whenever reference to a numbered salary range is made in any section of this article, the schedule and the salary ordinance of the County of Santa Barbara in effect January 1, 1984, shall apply.

(c) If the board of supervisors adopts a revised salary schedule for county employees, the new schedule shall apply equally to employees of municipal courts and marshals' offices and conversion to the new schedule shall be made for such employees in the same manner on the same date as for the classified service.

(d) Notwithstanding any of the provisions of this article, the salary and benefits of municipal court employees and officers shall be changed in the same manner and at the same rate as a salary and benefit change is effective for other permanent county classified positions. Employees and officers of the municipal court shall be entitled to all employee benefits as they are provided and made applicable to positions within the classified service pursuant to Santa Barbara County ordinances or resolutions, to the extent that the benefits are not contrary to state law.

(e) All matters affecting the administration of salary and benefits, the selection, appointment, and reclassification of such municipal court officers and employees in those positions which they hold which are not specifically determined by the provision of state law shall be governed by the personnel ordinances and resolutions of the Board of Supervisors of the County of Santa Barbara.

(f) Nothing in this article shall be construed to place marshals' or clerks' offices, their employees and attachés under the civil service system of Santa Barbara County but such employees and attachés may be placed under that civil service system by court rule adopted by the judges of their respective courts.

(g) Any changes in compensation made pursuant to this section shall be on an interim basis and shall expire January 1 of the second calendar year following such changes unless ratified by the Legislature.

SEC. 6. Section 74647 of the Government Code is amended to read:

74647. (a) Full-time official reporters appointed by the majority of the judges of the municipal court pursuant to the provisions of Section 72194 and so designated, shall be attachés of the court and shall receive a biweekly salary in accordance with the provisions of Section 70059.7. Such salary shall be paid at the same times and according to the same procedures as salaries of employees of the County of Santa Barbara. During the hours when the court is open for the transaction of judicial business, official reporters shall devote full time to the performance of the duties required of them by law and shall not engage in or solicit to engage in any other employment in their professional capacity.

(b) The judges of the court may appoint as many part-time additional reporters as the business of the court requires. The additional reporters shall be known as official reporters pro tempore, and they shall serve without salary but shall receive, for reporting, fees at the per diem rate fixed by Section 70059.7. Rates of compensation of regular official reporters and official reporters pro tempore may be adjusted by joint action and approval of the board of supervisors and a majority of the judges of the court, provided, however, that any changes in compensation which are made pursuant to this section shall be on an interim basis and shall remain in effect only until January 1, 1986, unless ratified by statute by the Legislature prior to that date. In criminal cases such fees upon order of the court shall be a charge against the general fund of the county.

(c) An official reporter when not engaged in the performance of duties of the municipal court, may be appointed to serve as such reporter for the Santa Barbara County Grand Jury or in any other court in the County of Santa Barbara.

SEC. 7. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

CHAPTER 320

An act to amend Section 5080.32 of the Public Resources Code, relating to parks and recreation.

[Approved by Governor July 6, 1984. Filed with Secretary of State July 9, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 5080.32 of the Public Resources Code is amended to read:

5080.32. All revenues received from lands subject to an

agreement entered into pursuant to this article shall be expended only for the care, maintenance, operation, administration, improvement, or development of the unit of the state park system in which the lands from which the revenues were derived are located and any recreational trail providing access to those lands. However, where a local agency operates more than one unit of the state park system under an agreement pursuant to this article, revenues received in excess of the care, maintenance, operation, administration, improvement, or development of one unit may be utilized for those purposes at other units of the state park system operated by the local agency. This section applies to all agreements in force on January 1, 1983, and any agreement that may subsequently be entered into.

CHAPTER 321

An act to amend Sections 768, 816.5, 1062, and 1073 of, and to amend and renumber Section 3523 of, the Public Utilities Code, relating to carriers.

[Approved by Governor July 6, 1984. Filed with Secretary of State July 9, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 768 of the Public Utilities Code is amended to read:

768. The commission may, after a hearing, require every public utility to construct, maintain, and operate its line, plant, system, equipment, apparatus, tracks, and premises in a manner so as to promote and safeguard the health and safety of its employees, passengers, customers, and the public. The commission may prescribe, among other things, the installation, use, maintenance, and operation of appropriate safety or other devices or appliances, including interlocking and other protective devices at grade crossings or junctions and block or other systems of signaling. The commission may establish uniform or other standards of construction and equipment, and require the performance of any other act which the health or safety of its employees, passengers, customers, or the public may demand. The commission shall not, however, regulate the safety of operation of passenger stage corporations or highway common carriers.

SEC. 2. Section 816.5 of the Public Utilities Code is amended to read:

816.5. Nothing in this article or in Article 6 (commencing with Section 851) requires a common carrier by railroad subject to the Interstate Commerce Act (49 U.S.C. Sec. 10101 et seq.), a highway common carrier, cement carrier, or passenger stage corporation to

secure from the commission authority to execute any conditional sales contract for the purchase of motor vehicle or railroad equipment or any note or chattel mortgage on that equipment securing the payment of all, or any part, of the purchase price.

SEC. 3. Section 1062 of the Public Utilities Code is amended to read:

1062. The commission may do all of the following:

(a) Supervise and regulate every highway common carrier and cement carrier in this state.

(b) Fix the rates, fares, charges, classifications, and rules of those carriers.

(c) Regulate the accounts and service of each of those carriers, and require the filing of annual and other reports and of other data by them.

(d) Supervise and regulate those carriers in all other matters affecting the relationship between them and the shipping public.

The commission, by general order or otherwise, may prescribe rules applicable to highway common carriers and cement carriers. The commission may make orders and prescribe rules affecting highway common carriers and cement carriers, notwithstanding any ordinance or permit of any city, city and county, or county, and in case of conflict between such order or rule of the commission and any local ordinance or permit, the order or rule of the commission prevails.

SEC. 4. Section 1073 of the Public Utilities Code is amended to read:

1073. The commission may, upon its own motion or upon application of any interested party, after a hearing, require any highway common carrier or cement carrier to procure and maintain cargo insurance in the amounts and upon the terms as the commission may determine.

SEC. 5. Section 3523 of the Public Utilities Code, as added by Chapter 821 of the Statutes of 1979, is amended and renumbered to read:

3524. "Heavy-specialized carrier" means any person or corporation engaged in the transportation for compensation over any public highway in this state of any commodity, the transportation or handling of which because of width, length, height, weight, shape, or size requires special authority from a governmental agency regulating the use of highways, roads, or streets, in any motor vehicle or combination of vehicles.

CHAPTER 322

An act to amend Section 13112 of the Health and Safety Code, relating to the State Fire Marshal.

[Approved by Governor July 6, 1984 Filed with Secretary of State July 9, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 13112 of the Health and Safety Code is amended to read:

13112. Every person who violates any provision of this chapter, or any order, rule, or regulation made pursuant to this chapter, is guilty of a misdemeanor punishable by a fine of not less than one hundred dollars ($100) or more than five hundred dollars ($500), or by imprisonment for not more than six months, or by both.

A person is guilty of a separate offense each day during which he or she commits, continues, or permits a violation of any provision of, or any order, rule, or regulation made pursuant to, this chapter.

CHAPTER 323

An act to amend Section 14026.5 of the Welfare and Institutions Code, relating to Medi-Cal.

[Approved by Governor July 6, 1984. Filed with Secretary of State July 9, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 14026.5 of the Welfare and Institutions Code is amended to read:

14026.5. (a) The State Director of Health Services shall issue Medi-Cal cards to peace officers or persons working under such officers' immediate supervision for the purpose of conducting investigations of Medi-Cal fraud, or a violation of the Medical Practice Act as set forth at Chapter 5 (commencing with Section 2000) of Division 2 of the Business and Professions Code, upon an order of a magistrate issued pursuant to subdivision (c).

(b) Nothing in this section shall be construed to mean that it is the exclusive method for conducting investigations for Medi-Cal fraud or for violations of the Medical Practice Act as set forth at Chapter 5 (commencing with Section 2000) of Division 2 of the Business and Professions Code.

(c) A magistrate may issue an order for the issuance of Medi-Cal cards to peace officers upon a showing of reasonable suspicion that the person being investigated has committed or is committing

Medi-Cal fraud or a violation of the Medical Practice Act as set forth in Chapter 5 (commencing with Section 2000) of Division 2 of the Business and Professions Code. As used in this section, "reasonable suspicion" means that the peace officer subjectively entertains such a suspicion and that it is objectively reasonable for him to do so. The facts must be those which would cause any reasonable peace officer in a like position, drawing when appropriate on his training and experience, to suspect the same criminal activity and the same involvement by the person in question. A showing of reasonable suspicion may be made either by written statement under penalty of perjury or by oral statement taken under oath, recorded and transcribed.

(d) The State Department of Health Services shall report to the Legislature every six months commencing June 1, 1981, on the utilization of Medi-Cal cards issued pursuant to this section. The report shall include, among other matters, a description of the types of criminal investigations conducted pursuant thereto.

CHAPTER 324

An act to amend Sections 9908.7, 9909, 9920, 9924, 9926, 9984, 9989.4, and 9995 of, and to add Section 9988.1 to, the Business and Professions Code, relating to employment agencies.

[Approved by Governor July 9, 1984 Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 9908.7 of the Business and Professions Code is amended to read:

9908.7. As used in this chapter, "bureau" means the Bureau of Personnel Services.

SEC. 2. Section 9909 of the Business and Professions Code is amended to read:

9909. As used in this chapter, "board" means the California Advisory Board to the Bureau of Personnel Services.

SEC. 3. Section 9920 of the Business and Professions Code is amended to read:

9920. There is in the Department of Consumer Affairs a Bureau of Personnel Services under the supervision and control of the Chief of the Bureau of Personnel Services.

SEC. 4. Section 9924 of the Business and Professions Code is amended to read:

9924. (a) With the approval of the director, the chief may adopt rules and regulations necessary for the administration of this chapter and declaring the policy of the bureau.

(b) On or before July 1, 1983, the bureau shall adopt and place into

effect written operating guidelines for complaint-handling procedures, which shall include, but not be limited to, the following factors:

(1) Determination that the complaint is within the jurisdiction of the bureau and the licensing act.

(2) All complaints shall be submitted to the bureau in writing.

(3) The bureau shall contact all employers, applicants and agencies involved in a complaint, and such contacts shall be summarized in writing by the bureau employee making such contact.

(4) The disposition of a complaint shall be transmitted in writing to the employers, applicants and agencies involved.

(5) An annual notice to licensees of disciplinary procedures.

The guidelines shall be adopted following a public hearing conducted by the California Advisory Board to the Bureau of Personnel Services, for which the public and the industry shall be given notice and invited to testify.

SEC. 5. Section 9926 of the Business and Professions Code is amended to read:

9926. There is in the Bureau of Personnel Services a California Advisory Board to the Bureau of Personnel Services, which consists of seven members.

SEC. 6. Section 9984 of the Business and Professions Code is amended to read:

9984. (a) Every employment agency shall give to every applicant for employment from whom a fee or deposit is to be received a contract or receipt, in which is stated all of the following:

(1) The name, address and telephone number of the employment agency.

(2) The name and address of the person giving the order for help, the date and consecutive number of the receipt of such order by the agency, and its manner of transmission.

(3) The date and consecutive number of issuing the contract.

(4) The name of the applicant, the name and address of the person to whom the applicant is sent for employment, and the address where the applicant is to report for employment.

(5) The amount of the fee to be charged and to be collected from the applicant and the amount of the fee paid or advanced by the prospective employer and by whom paid or advanced.

(6) The kind of work or employment.

(7) The daily hours of work; the wages or salary, including any consideration or privilege.

(8) If any labor trouble exists at the place of employment, that fact shall be stated in the contract.

(9) Any other term, condition, or understanding agreed upon between the agency and the applicant.

(b) There shall be printed on the face of the contract in type no smaller than 10-point bold the following: "This agency is licensed by the Bureau of Personnel Services of the State of California, 1333

Howe Avenue, Sacramento, California. Inquiries concerning your contract may be sent to this address." At the bottom of the contract there shall appear a notice to the effect that the contract is the property of the applicant and shall not be taken from him.

(c) The employment agency shall in such contract undertake to repay the applicant the fee in the event the applicant fails to accept employment.

(d) Every such contract or receipt shall be made and numbered consecutively in original and duplicate, both to be signed by the applicant and the person acting for the employment agency. The original shall be given to the applicant and the duplicate shall be kept on file at the agency.

(e) The provisions of this section shall not apply to employer-retained agencies.

SEC. 7. Section 9988.1 is added to the Business and Professions Code, to read:

9988.1. No babysitting, domestic or other employment agency which procures babysitting or domestic employment for employers shall refer babysitters or domestics for any employment without first conducting a personal interview of the applicant and making a reasonable effort to verify the experience or training of the applicant.

SEC. 8. Section 9989.4 of the Business and Professions Code is amended to read:

9989.4. (a) Prior to the acceptance of a fee from a job seeker, a licensee shall provide the job seeker with a written contract which shall include at least the following:

(1) The name of the licensee and the addresses and telephone numbers of the principal office or location of the licensee providing the listing to the job seeker.

(2) Acknowledgement of receipt of the fee, including the amount.

(3) A description of the service to be performed by the licensee, including significant conditions, restrictions, and limitations where applicable.

(4) The job seeker's specifications for the employment opportunity, including, but not limited to, the following:

(A) Type of job.

(B) Interests of job seeker.

(C) Qualifications of job seeker.

(D) Salary, benefits, and other conditions of employment.

(E) Location of job.

(5) The contract expiration date, which shall not be later than 90 days from the date of execution of the contract.

(6) A clause setting forth the right to a full refund of the fee paid in advance as provided in Section 9989.5.

(7) The signature of the licensee or of the designated agent or employee acting on behalf of the licensee.

(8) There shall be printed on the face of the contract in type no smaller than 10-point bold the following: "This agency is licensed by

the Bureau of Personnel Services of the State of California, 1333 Howe Avenue, Sacramento, California. Inquiries concerning your contract may be sent to this address." At the bottom of the contract there shall appear a notice to the effect that the contract is the property of the applicant and shall not be taken from the applicant.

(b) Every contract or receipt shall be made and numbered consecutively in original and duplicate, both to be signed by the applicant and the person acting for the employment agency. The original shall be given to the applicant and the duplicate shall be kept on file at the agency.

(c) The form of contract proposed to be used by a licensee to effect compliance with this section shall be filed with the bureau prior to use. Any modification of a form previously filed with the bureau, including a change in the name or business address of the licensee, shall also be filed prior to use.

(d) If a job seeker first contacts the licensee by telephone from a distance of more than 50 miles from the nearest office of the service the licensee shall not be in violation of this section by taking credit card information from the job seeker by telephone for the purpose of charging the credit card account of the job seeker for the fee, if the licensee furnishes the information specified in subdivision (a) during the same telephone conversation and mails written confirmation and a list of available employment opportunities to the job seeker no later than the next business day.

SEC. 9. Section 9995 of the Business and Professions Code is amended to read:

9995. The bureau shall receive and account for all fees and revenues derived from the operation of this chapter and, at the end of each month, shall report such fees and revenues to the State Controller and shall pay it to the State Treasurer, who shall keep the fees and revenues in a separate fund known as the Bureau of Personnel Services Fund. The fees and revenues contained in this fund are appropriated, without regard to fiscal years, for carrying out the provisions of this chapter.

SEC. 10. Nothing in this act shall be construed as requiring the Bureau of Personnel Services to immediately discontinue using preprinted forms, licenses, certificates, or other documents which may contain the title "Bureau of Employment Agencies." These supplies may continue to be used until the inventory is depleted.

CHAPTER 325

An act to amend Section 22658 of the Vehicle Code, relating to vehicles.

[Approved by Governor July 9, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 22658 of the Vehicle Code is amended to read:

22658. (a) The owner or person in lawful possession of any private property may, subsequent to notifying, by telephone or, if impractical, by the most expeditious means available, the city police or county sheriff, whichever is appropriate, cause the removal of a vehicle parked on the property to the nearest public garage, if (1) there is displayed, in plain view at all entrances to the property, a sign of a size specified by ordinance prohibiting public parking and indicating that vehicles will be removed at the owner's expense, and containing the telephone number of the local traffic law enforcement agency, or (2) the lot or parcel upon which the vehicle is parked is improved with a single family dwelling.

(b) The person causing removal of the vehicle shall, if the person knows or is able to ascertain from the registration records of the Department of Motor Vehicles the name and address of the registered and legal owner thereof, immediately give, or cause to be given, notice in writing to the registered and legal owner of the fact of the removal, the grounds for the removal, and indicate the place to which the vehicle has been removed. If the vehicle is stored in a public garage, a copy of the notice shall be given to the proprietor of the garage. The notice provided for in this section shall include the amount of mileage on the vehicle at the time of removal. If the person does not know and is not able to ascertain the name of the owner or for any other reason is unable to give the notice to the owner as provided in this section, the person causing removal of the vehicle shall comply with the requirements of subdivision (c) of Section 22853 relating to notice in the same manner as applicable to an officer removing a vehicle from private property.

(c) This section does limit or affect any right or remedy which the owner or person in lawful possession of private property may have by virtue of other provisions of law authorizing the removal of a vehicle parked upon private property.

(d) The owner of a vehicle removed from private property pursuant to subdivision (a) may recover for any damage to the vehicle resulting from any intentional or negligent act of any person causing the removal of, or removing, the vehicle.

(e) Any owner or person in lawful possession of any private property causing the removal of a vehicle parked on that property is liable for any storage or towing charges whenever there has been a failure to post a sign if and as required by subdivision (a).

CHAPTER 326

An act to amend Section 13353 of the Vehicle Code, relating to driver's licenses.

[Approved by Governor July 9, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 13353 of the Vehicle Code is amended to read:

13353. (a) (1) Any person who drives a motor vehicle shall be deemed to have given his or her consent to chemical testing of his or her blood, breath, or urine for the purpose of determining the alcoholic content of his or her blood, and to have given his or her consent to chemical testing of his or her blood or urine for the purpose of determining the drug content of his or her blood, if lawfully arrested for any offense allegedly committed in violation of Section 23152 or 23153. The testing shall be incidental to a lawful arrest and administered at the direction of a peace officer having reasonable cause to believe the person was driving a motor vehicle in violation of Section 23152 or 23153. The person shall be told that his or her failure to submit to, or the noncompletion of, the required chemical testing will result in (A) the suspension of the person's privilege to operate a motor vehicle for a period of six months, (B) the suspension of the person's privilege to operate a motor vehicle for a period of one year if the person has previously been convicted of a violation of Section 23152, 23153, or 23103 as specified in Section 23103.5 within five years of the date of the refusal, or (C) the revocation of the person's privilege to operate a motor vehicle for a period of three years if the person has previously been convicted of two or more violations of Section 23152, 23153, or 23103 as specified in Section 23103.5 within five years of the date of the refusal.

(2) (A) If the person is lawfully arrested for driving under the influence of an alcoholic beverage, the person shall have the choice of whether the test shall be of his or her blood, breath, or urine, and the person shall be advised by the officer that he or she has that choice. If the person arrested either is incapable, or states that he or she is incapable, of completing any chosen test, the person shall then have the choice of submitting to and completing any of the remaining tests or test, and the person shall be advised by the officer that the person has that choice.

(B) If the person is lawfully arrested for driving under the influence of any drug or the combined influence of an alcoholic beverage and any drug, the person shall have the choice of whether the test shall be of his or her blood, breath, or urine, and the person shall be advised by the officer that he or she has that choice.

A person who chooses to submit to a breath test may also be

required to submit to a blood or urine test if the officer has reasonable cause to believe that the person was driving under the influence of any drug or the combined influence of an alcoholic beverage and any drug and if the officer has a clear indication that a blood or urine test will reveal evidence of the person being under the influence. The officer shall state in his or her report the facts upon which that belief and that clear indication are based. The person shall have the choice of submitting to and completing a blood or urine test, and shall be advised by the officer that he or she is required to submit to an additional test and that he or she may choose a test of either blood or urine. If the person arrested either is incapable, or states that he or she is incapable, of completing either chosen test, the person shall then have the choice of submitting to and completing the other remaining test, and the person shall be advised by the officer that the person has that choice.

(3) If the person is lawfully arrested for an offense allegedly committed in violation of Section 23152 or 23153, and, because of the need for medical treatment, the person is first transported to a medical facility where it is not feasible to administer a particular test of, or to obtain a particular sample of, the person's blood, breath, or urine, the person shall have the choice of those tests which are available at the facility to which that person has been transported. In such an event, the officer shall advise the person of those tests which are available at the medical facility and that the person's choice is limited to those tests which are available.

(4) The person shall also be advised by the officer that he or she does not have the right to have an attorney present before stating whether he or she will submit to a test or tests, before deciding which test or tests to take, or during administration of the test or tests chosen, and shall also be advised by the officer that, in the event of refusal to submit to a test or tests, the refusal may be used against him or her in a court of law.

(5) Any person who is unconscious or otherwise in a condition rendering him or her incapable of refusal shall be deemed not to have withdrawn his or her consent and a test or tests may be administered whether or not the person is told that his or her failure to submit to, or the noncompletion of, the test or tests will result in the suspension of his or her privilege to operate a motor vehicle. Any person who is dead shall be deemed not to have withdrawn his or her consent and a test or tests may be administered at the direction of a peace officer.

(b) If any person refuses the officer's request to submit to, or fails to complete, a chemical test or tests, upon receipt of the officer's sworn statement that the officer had reasonable cause to believe the person had been driving a motor vehicle in violation of Section 23152 or 23153 and that the person had refused to submit to, or did not complete, the test or tests after being requested by the officer, the department shall (1) suspend the person's privilege to operate a motor vehicle for a period of six months, (2) suspend the person's

privilege to operate a motor vehicle for a period of one year if the person has previously been convicted of a violation of Section 23152, 23153, or 23103 as specified in Section 23103.5 within five years of the date of the refusal, or (3) revoke the person's privilege to operate a motor vehicle for a period for three years if the person has previously been convicted of two or more violations of Section 23152, 23153, or 23103 as specified in Section 23103.5 within five years of the date of the refusal. The officer's sworn statement shall be submitted on a form furnished or approved by the department. The suspension or revocation shall not become effective until 10 days after the giving of written notice thereof, as provided for in subdivision (c).

(c) (1) The department shall immediately notify the person in writing of the action taken and, upon the person's request in writing and within 15 days from the date of receipt of that request, shall grant the person an opportunity for a hearing in the same manner and under the same conditions as provided in Article 3 (commencing with Section 14100) of Chapter 3, except as otherwise provided in this section. For purposes of this section, the scope of the hearing shall cover the issues of whether the peace officer had reasonable cause to believe the person had been driving a motor vehicle in violation of Section 23152 or 23153, whether the person was placed under arrest, whether the person refused to submit to, or did not complete, the test or tests after being requested by a peace officer, and whether, except for the persons described in subdivision (a) who are incapable of refusing, the person had been told that his or her driving privilege would be suspended or revoked if he or she refused to submit to, or did not complete, the test or tests.

(2) An application for a hearing made by the affected person within 10 days of receiving notice of the department's action shall stay the suspension or revocation by the department for a period of 15 days. The department shall, within the period of 15 days, hold a hearing in the county in which the violation occurred. If the department does not grant a hearing within 15 days, the suspension or revocation shall not take place until the person is granted a hearing and is notified of the department's action as provided in paragraph (3). If the county in which the violation occurred is also the county of the person's residence, and the person requests that the hearing be continued to a date beyond the period of 15 days, the suspension or revocation shall become effective immediately upon receipt of the department's notice that the request for continuance has been granted. If the hearing is to be held in a county other than the county of the person's residence, the department shall, upon request, grant the person a continuance of up to 15 days, and shall not suspend or revoke the license until after that time.

(3) If the department determines, upon a hearing of the matter, to suspend or revoke the affected person's privilege to operate a motor vehicle, the suspension or revocation shall not become effective until five days after receipt by the person of the department's notification of that suspension or revocation.

(d) Any person who is afflicted with hemophilia is exempt from the blood test required by this section.

(e) Any person who is afflicted with a heart condition and is using an anticoagulant under the direction of a licensed physician and surgeon is exempt from the blood test required by this section.

(f) A person lawfully arrested for any offense allegedly committed while the person was driving a motor vehicle in violation of Section 23152 or 23153 may request the arresting officer to have a chemical test made of the arrested person's blood, breath, or urine for the purpose of determining the alcoholic content of that person's blood, and, if so requested, the arresting officer shall have the test performed.

CHAPTER 327

An act to amend Section 43156 of the Health and Safety Code, relating to air pollution.

[Approved by Governor July 9, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 43156 of the Health and Safety Code is amended to read:

43156. For purposes of this article, it is conclusively presumed that the equitable or legal title to a motor vehicle, other than a motorcycle, with an odometer reading of 7,500 miles or more has been transferred to an ultimate purchaser and that the equitable or legal title to a motor vehicle, other than a motorcycle, with an odometer reading of less than 7,500 miles has not been transferred to an ultimate purchaser.

For purposes of this article, it is conclusively presumed that the equitable or legal title to a motorcycle with an odometer reading of 1,350 miles or more has been transferred to an ultimate purchaser and that the equitable or legal title to a motorcycle with an odometer reading of less than 1,350 miles has not been transferred to an ultimate purchaser.

CHAPTER 328

An act to add Section 31484.8 to the Government Code, relating to public retirement systems.

[Approved by Governor July 9, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 31484.8 is added to the Government Code, to read:

31484.8. Notwithstanding any other provision of law, whenever the governing body of a county or district has made a particular provision or provisions of this chapter providing for increased benefits applicable to that county or district through the adoption of an ordinance or resolution, the governing body may at any time thereafter adopt another ordinance or resolution terminating the applicability of that provision or provisions as to current employees of the county or district who elect by written notice filed with the board to have the applicability of the provision or provisions terminated as to them. This section is intended only to authorize the termination of those benefits which the governing body of a county or district elected to increase over the basic benefits or to make applicable in addition to the basic benefits pursuant to the provisions of this chapter. Nothing herein shall be construed as authorizing the governing body of a county or district to terminate the basic benefits required under the provisions of this chapter.

The governing board of a county or district prior to adopting an ordinance or resolution allowing the termination of the applicability of any increased benefit provisions shall provide an oral or written explanation of the effect and impact of the termination for each member requesting termination of the applicability of any such provisions.

The governing board shall require members requesting termination of the applicability of any provisions to sign an affidavit stating that the member has been fully informed regarding the effect of the termination, and understands that the termination of a provision or provisions is irrevocable. The affidavit shall also state that the employee has chosen termination of the provision or provisions of the employee's own free will and was not coerced into termination of any provision by the employer or any other person.

The governing body shall, in the ordinance or resolution granting current employees the option of electing to have the applicability of such provision or provisions terminated, specify the provision or provisions which shall be applicable to current employees making the election. Employees who elect to have the provision or provisions terminated, shall have their retirement allowance for service rendered after the effective date of election calculated on the basis of the provision made applicable by the governing body.

The retirement allowance for service rendered prior to the effective date of the election shall be calculated on the basis of the provision or provisions applicable during that period of service. Any employee who has made such an election shall not be eligible for

retirement unless the employee meets the minimum requirements of the provision or provisions applicable at the date of retirement.

A current employee who has elected to have the applicability of the provision or provisions terminated may not rescind such an election unless the governing body of the county or district again makes the particular provision or provisions applicable to the county or district through the adoption of a subsequent ordinance or resolution. Any such election made by a current employee shall be binding upon the employee's spouse and all others claiming benefits under such employee's entitlement.

An employee may make the election described herein at any time. The effective date of the election shall be the first day of the biweekly payroll period following execution and filing of the employee's affidavit.

An employee suffering a break in service shall, if he or she returns to covered employment within three years of the date of separation, return at the higher level if and only if his or her prior coverage was at that level. The provision in this paragraph applies only to separations occurring between June 30, 1983, through and including June 30, 1988, and further applies only to employees who were active members on June 30, 1983, and to employees laid off prior to that date who were on a civil service reemployment list on June 30, 1983. This provision does not apply to employees leaving the retirement system because of a change of status from full time to part time, regular appointment to project appointment and back to regular appointment, or regular appointment to intermittent appointment and back to regular appointment.

After June 30, 1988, an employee who is laid off and rehired within one year from the date of separation shall return at the higher level if and only if his or her prior coverage was at that level.

A former employee who has elected deferred retirement from the higher benefit level and who returns to covered employment shall return to the higher benefit level.

The benefit levels described in this section are those in existence on July 1, 1983.

This section shall only be applicable to a county of the fourth class as described by Sections 28020 and 28025.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

CHAPTER 329

An act to amend Section 7137 of the Business and Professions Code, relating to contractors.

[Approved by Governor July 9, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 7137 of the Business and Professions Code is amended to read:

7137. The amount of the fees prescribed by this chapter shall be fixed by the board according to the following schedule:

(a) The application fee for an original license in a single classification shall not exceed one hundred fifty dollars ($150).

The application fee for each additional classification applied for in connection with an original license shall not exceed fifty dollars ($50).

The application fee for each additional classification pursuant to Section 7059 shall not exceed fifty dollars ($50).

The application fee to replace a responsible managing officer or employee pursuant to Section 7068.2 shall not exceed fifty dollars ($50).

(b) The fee for rescheduling an examination for an applicant who has applied for an original license, additional classification, or a change of responsible managing officer or responsible managing employee, shall not exceed fifty dollars ($50).

(c) The initial license fee for an active or inactive license shall not exceed one hundred fifty dollars ($150).

(d) The renewal fee for an active license shall not exceed two hundred dollars ($200).

The renewal fee for an inactive license shall not exceed fifty dollars ($50).

(e) The delinquency fee is an amount equal to 50 percent of the renewal fee, but not more than twenty-five dollars ($25), subject to the provisions of Section 163.5.

(f) The registration fee for a home improvement salesperson shall not exceed fifty dollars ($50).

(g) The renewal fee for a home improvement salesperson registration shall not exceed seventy-five dollars ($75).

CHAPTER 330

An act to amend Sections 3071, 3074, 3075, 3076, 3076.5, 3077, 3077.5, 3078, 3079, 3080, and 3092 of, and to add Section 3076.3 to, the Labor Code, relating to apprenticeship.

[Approved by Governor July 9, 1984 Filed with
Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 3071 of the Labor Code is amended to read:

3071. The California Apprenticeship Council shall meet at the call of the Director of Industrial Relations and shall aid him or her in formulating policies for the effective administration of this chapter.

Thereafter, the California Apprenticeship Council shall meet quarterly at a designated date and special meetings may be held at the call of the chairman. The California Apprenticeship Council shall establish standards for minimum wages, maximum hours, and working conditions for apprentice agreements, hereinafter in this chapter referred to as apprenticeship standards, which in no case shall be lower than those prescribed by this chapter; shall issue such rules and regulations as may be necessary to carry out the intent and purpose of this chapter, which shall include regulations governing equal opportunities in apprenticeship, affirmative action programs which include women and minorities in apprenticeship, and other on-the-job training, and criteria for selection procedures with a view particularly toward eliminating criteria not relevant to qualification for training employment or more stringent than is reasonably necessary; shall foster, promote, and develop the welfare of the apprentice and industry, improve the working conditions of apprentices, and advance their opportunities for profitable employment; shall insure that selection procedures are impartially administered to all applicants for apprenticeship; shall gather and promptly disseminate information through apprenticeship and training information centers; and shall maintain on public file in all high schools and field offices of the Employment Development Department the name and location of the local area apprenticeship committees, the filing date, and minimum requirements for application of all registered apprenticeship programs. The California Apprenticeship Council shall make biennial reports through the Director of Industrial Relations of its activities and findings to the Legislature and to the public.

SEC. 2. Section 3074 of the Labor Code is amended to read:

3074. The preparation of trade analyses and development of curriculum for instruction, and the administration and supervision of related and supplemental instruction for apprentices, coordination of instruction with job experiences, and the selection and training of teachers and coordinators for this instruction shall be the responsibility of, and shall be provided by, state and local boards responsible for vocational education upon agreement with the program sponsor. This responsibility shall not preclude the establishment of off-campus related and supplemental instruction when approved, developed, and operated in cooperation with state

and local school boards responsible for vocational education, and when the instruction meets all other requirements of this chapter. It is the intent of this chapter that the instruction shall be made available to apprentices through classroom instruction, correspondence courses, self-study or other means of instruction approved by state and local public education agencies authorized to provide vocational education.

Pursuant to this chapter all excess costs incurred by local public education agencies exceeding state apportionments and local revenue earned by the attendance of apprentices shall be payable by the program sponsor, upon joint agreement between the sponsor and the local education agency. The State Board of Education and the Board of Governors of the California Community Colleges, and the Division of Apprenticeship Standards shall jointly issue regulations regarding calculation and payment provisions of excess costs to be borne by the program sponsors. All funds accrued by local education agencies from attendance in apprenticeship classes authorized by this section shall be expended or allocated for all such classes offered by the local education agency before excess costs may be claimed.

The Department of Education and the Board of Governors of the California Community Colleges may provide related and supplemental instruction to isolated apprentices as a direct instructional service, on a contractual basis with local school districts, by correspondence, or by a combination of these means. For the purpose of this section, an isolated apprentice is an apprentice registered with the Division of Apprenticeship Standards in the Department of Industrial Relations who cannot be enrolled in a class of related and supplementary instruction for apprentices because of the small number of apprentices available for an appropriate class or because there is no existing apprenticeship program within a reasonable travel distance.

Interested parties may file a complaint in accordance with Section 201 of Title 8 of the Administrative Code, when a community college or secondary education district is unable to reach agreement with program sponsors in providing related and supplemental instruction. In the process of securing an amicable adjustment, the administrator, or his or her representative, shall meet with the parties involved, including, but not limited to, the chancellor, or his or her representative, or the Superintendent of Public Instruction, or his or her representative.

Community colleges, and other public school districts, shall refuse to provide related and supplemental instruction to an apprenticeship program when it is determined by the Administrator of Apprenticeship that the program sponsor has been found to be in noncompliance with the State of California Plan for Equal Opportunity in Apprenticeship.

SEC. 3. Section 3075 of the Labor Code is amended to read:

3075. An apprenticeship program sponsor may be a joint apprenticeship committee, unilateral management or labor

apprenticeship committee, or an individual employer. Programs may be approved by the chief in any trade in the state or in a city or trade area, whenever the apprentice training needs justifies the establishment. Where a collective bargaining agreement exists, a program shall be jointly sponsored unless either party to the agreement waives its right to representation in writing. Joint apprenticeship committees shall be composed of an equal number of employer and employee representatives.

SEC. 4. Section 3076 of the Labor Code is amended to read:

3076. The function of a joint apprenticeship committee shall be to work in an advisory capacity with employers and employees in matters regarding schedule of work processes, wage rates, working conditions for apprentices, and the number of apprentices which shall be employed in the trade under apprentice agreements under this chapter, in accordance with standards for apprenticeship set up by the California Apprenticeship Council, except as specific written authority is delegated to the joint apprenticeship committee by the parent organizations represented, and to aid in the adjustment of apprenticeship disputes as they affect apprenticeship standards. Disciplinary proceedings resulting from disputes shall be duly noticed to the involved individuals.

SEC. 4.5. Section 3076.3 is added to the Labor Code, to read:

3076.3. Program sponsors shall establish selection procedures which specify minimum requirements for formal education or equivalency, physical examination, if any, subject matter of written tests and oral interviews, and any other criteria pertinent to the selection process; shall specify the relative weights of all factors which determine selection to an apprenticeship program; shall submit in writing to the chief an official statement of each selection procedure including the filing date and location of the program sponsor; shall make a copy of the selection procedures available to each applicant; shall provide in writing to each applicant not selected an official explanation setting forth the reason or reasons for the nonselection, copies of which shall be retained as a public record in the files of the program sponsor for a period of five years; and shall implement affirmative action programs for minorities and women in accordance with the rules, regulations, and guidelines of the California Apprenticeship Council.

SEC. 5. Section 3076.5 of the Labor Code is amended to read:

3076.5. A program sponsor may provide in its selection procedures for an additional 10 points credit in the selection of veteran applicants for apprenticeship.

"Veteran," as used in this section, means a veteran who has served in the armed forces of this country for at least 181 consecutive days since January 31, 1955, and who has been discharged or released under conditions other than dishonorable, but does not include any person who served only in auxiliary or reserve components of the armed forces whose services therein did not exempt him or her from the operation of the Selective Training and Service Act of 1940 (54

Stat. 885).

SEC. 6. Section 3077 of the Labor Code is amended to read:

3077. The term "apprentice" as used in this chapter, means a person at least 16 years of age who has entered into a written agreement, in this chapter called an "apprentice agreement," with an employer or program sponsor. The term of apprenticeship for each apprenticeable occupation shall be approved by the chief, and in no case shall provide for less than 2,000 hours of reasonably continuous employment for such person and for his or her participation in an approved program of training through employment and through education in related and supplemental subjects.

SEC. 7. Section 3077.5 of the Labor Code is amended to read:

3077.5. A program sponsor administering an apprenticeship program under this chapter shall not provide a maximum age for apprentices.

SEC. 8. Section 3078 of the Labor Code is amended to read:

3078. Every apprentice agreement entered into under this chapter shall directly, or by reference, contain:

(a) The names of the contracting parties.

(b) The date of birth of the apprentice.

(c) A statement of the trade, craft, or business which the apprentice is to be taught, and the time at which the apprenticeship will begin and end.

(d) A statement showing the number of hours to be spent by the apprentice in work and the learning objectives to be accomplished through related and supplemental instruction, except as otherwise provided under Section 3074. These exceptions shall be subject to the appeal procedures established in Sections 3081, 3082, 3083, and 3084. A minimum of 144 hours of related and supplemental instruction for each year of apprenticeship is recommended; however, related instruction may be expressed in terms of units or other objectives to be accomplished. In no case shall the combined weekly hours of work and required related and supplemental instruction of the apprentice exceed the maximum number of hours of work prescribed by law for a person of the age of the apprentice.

(e) A statement setting forth a schedule of the processes in the trade or industry divisions in which the apprentice is to be taught and the approximate time to be spent at each process.

(f) A statement of the graduated scale of wages to be paid the apprentice and whether the required schooltime shall be compensated.

(g) A statement providing for a period of probation of not more than 1,000 hours of employment and not more than 72 hours of related instruction, during which time the apprentice agreement may be terminated by the program sponsor at the request in writing of either party, and providing that after the probationary period the apprentice agreement may be terminated by the administrator by mutual agreement of all parties thereto, or canceled by the

administrator for good and sufficient reason.

(h) A provision that all controversies or differences concerning the apprentice agreement which cannot be adjusted locally, or which are not covered by collective-bargaining agreement, shall be submitted to the administrator for determination as provided for in Section 3081.

(i) A provision that an employer who is unable to fulfill his or her obligation under the apprentice agreement may, with approval of the administrator, transfer the contract to any other employer if the apprentice consents and the other employer agrees to assume the obligation of the apprentice agreement.

(j) Such additional terms and conditions as may be prescribed or approved by the California Apprenticeship Council, not inconsistent with the provisions of this chapter.

(k) A clause providing that there shall be no liability on the part of the other contracting party for an injury sustained by an apprentice engaged in schoolwork at a time when the employment of the apprentice has been temporarily or permanently terminated.

SEC. 9. Section 3079 of the Labor Code is amended to read:

3079. Every apprentice agreement under this chapter shall be approved by the local joint apprenticeship committee or the parties to a collective bargaining agreement or, subject to review by the council, by the administrator where there is no collective bargaining agreement or joint committee, a copy of which shall be filed with the California Apprenticeship Council. Every apprentice agreement shall be signed by the employer, or his or her agent, or by a program sponsor, as provided in Section 3080, and by the apprentice, and if the apprentice is a minor, by the minor's parent or guardian. Where a minor enters into an apprentice agreement under this chapter for a period of training extending into his or her majority, the apprentice agreement shall likewise be binding for such a period as may be covered during the apprentice's majority.

SEC. 10. Section 3080 of the Labor Code is amended to read:

3080. For the purpose of providing greater diversity of training or continuity of employment, any apprentice agreement made under this chapter may in the discretion of the California Apprenticeship Council be signed by an association of employers or an organization of employees instead of by an individual employer. In such a case, the apprentice agreement shall expressly provide that the association of employers or organization of employees does not assume the obligation of an employer but agrees to use its best endeavors to procure employment and training for an apprentice with one or more employers who will accept full responsibility, as herein provided, for all the terms and conditions of employment and training set forth in the agreement between the apprentice and employer association or employee organization during the period of the apprentice's employment. The apprentice agreement shall also expressly provide for the transfer of the apprentice, subject to the approval of the California Apprenticeship Council, to an employer

or employers who shall sign a written agreement with the apprentice, and if the apprentice is a minor, with the apprentice's parent or guardian, as specified in Section 3079, contracting to employ the apprentice for the whole or a definite part of the total period of apprenticeship under the terms and conditions of employment and training set forth in the apprentice agreement.

SEC. 11. Section 3092 of the Labor Code is amended to read:

3092. A successful graduate of a training program in a particular apprenticeable occupation of a vocational education program meeting the standards of the California State Plan for Vocational Education may receive credit toward a term of apprenticeship if the program is jointly established and approved by a school district, a county superintendent of schools, a public entity conducting a regional occupational center or program, or a private postsecondary vocational school accredited by a regional or national accrediting agency recognized by the United States Office of Education and the program sponsor of the particular apprenticeable occupation.

CHAPTER 331

An act to amend Sections 18522, 19058, 19590, 19590.5, and 19592.5 of the Government Code, relating to state civil service.

[Approved by Governor July 9, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 18522 of the Government Code is amended to read:

18522. "Position" means any office or employment in the "state civil service" as the phrase is defined in Section 4 of Article VII of the Constitution.

"Former position" means either (a) the last position which an employee held as a probationer, permanent employee, or career executive, or (b) a position to which the same appointing power could have assigned such an employee within a designated geographical, organizational, or functional subdivision of a state agency as determined appropriate by the board. However, the former position shall not include positions from which the employee has been separated through disciplinary action, rejected during a probationary period, terminated under Section 19889.3, or terminated, demoted, or transferred in accordance with Section 19253.5.

SEC. 2. Section 19058 of the Government Code is amended to read:

19058. When there is no employment list from which a position may be filled, the appointing power, with the consent of the board,

may fill the position by temporary appointment. The temporary appointment to a permanent position shall continue only until eligibles are available from an appropriate employment list and shall not exceed the period prescribed by Section 5 of Article VII of the Constitution. Within the limits of the period prescribed therein, any temporary appointment to a limited term position may, in the discretion of the appointing power and with the approval of the board, be continued for the life of such position. When temporary appointments are made to permanent positions, an appropriate employment list shall be established for each class to which a temporary appointment is made before the expiration of the appointment.

SEC. 3. Section 19590 of the Government Code is amended to read:

19590. Notwithstanding Article 3 (commencing with Section 19570), persons who have been designated as managerial employees under Section 3513 from the beginning of their current appointment, but whose positions are not in the career executive category, shall hold their appointments subject to the following adverse action process:

(a) The employee may be demoted, dismissed, or otherwise disciplined under this section for any of the causes specified in Section 19572, but shall not be disciplined for any cause constituting prohibited discrimination as set forth in Sections 19700 to 19703, inclusive.

(b) At least 20 days prior to the effective date of the disciplinary action, the appointing power shall give the employee written notice of the proposed action setting forth the reasons for the action, the effective date of the action, the right of the employee to answer the notice orally or in writing within 10 days of receipt of notice, and the employee's appeal rights. Within 15 days after the effective date of the disciplinary action, a copy thereof shall be filed with the board.

(c) The board, at the written request of a disciplined managerial employee filed within 30 days of the employee's receipt of the notice of the disciplinary action, may investigate with or without a hearing the reasons for the action.

If the adverse action taken against the employee was a disciplinary action other than demotion or dismissal, the board shall, after the investigation or hearing, affirm, reduce, or overturn the action of the appointing power.

If the adverse action taken against the employee was a demotion or dismissal from state civil service, the board shall, after the investigation or hearing and subject to the provisions of Section 19592.5, affirm or reduce the action, restore the employee to the position from which he or she was demoted, or reinstate the employee to the position from which he or she was dismissed or to a position to which he or she could have transferred.

The decision of the board to modify the action of the appointing power pursuant to this subdivision shall be taken only if the board

determines, after investigation or hearing, that there is no substantial evidence to support the reason or reasons for disciplinary action, or that the disciplinary action was made in fraud or bad faith. In any such proceeding, the disciplined managerial employee shall have the burden of proof. Subject to rebuttal by the employee, it shall be presumed that the action was free from fraud and bad faith and that the statement of reasons in the notice of disciplinary action is true.

SEC. 4. Section 19590.5 of the Government Code is amended to read:

19590.5. Notwithstanding Section 19590, a managerial employee who, without a subsequent break in service due to a permanent separation, has previously served with permanent status in a nonmanagerial state civil service position, may be dismissed from state service only as provided in Article 3 (commencing with Section 19570). Similarly, a managerial employee who has served in a state civil service managerial position for a combined period of at least 12 months, may be dismissed from state service only as provided in Article 3 (commencing with Section 19570). Section 19590 shall apply, however, to a dismissal action against a managerial employee who does not have previous permanent status as described in this section, if the dismissal action is taken during the first year of his or her service in a state civil service managerial position or positions.

SEC. 5. Section 19592.5 of the Government Code is amended to read:

19592.5. Notwithstanding any other provisions of law, when a demotion action is taken against a managerial employee who was hired from outside of state civil service pursuant to Section 18930, and the action is taken during the first year of his or her service in a state civil service managerial position or positions, he or she may only transfer, reinstate, be reduced in class or demoted to other positions designated as managerial.

CHAPTER 332

An act to amend Section 14040 of the Welfare and Institutions Code, relating to Medi-Cal.

[Approved by Governor July 9, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 14040 of the Welfare and Institutions Code, is amended to read:

14040. Each contract for fiscal intermediary services shall allow providers to utilize electronic means for transmitting claims to the fiscal intermediary contractor. Means of transmission, and the manner and format used, shall be approved by the director. In

determining which electronic means are acceptable, the director shall consider magnetic tape, computer-to-computer via telephone, diskettes, and any other methods which may become available through technological advancements.

A provider may assign signature authority for transmission of claims to an authorized representative or billing agent.

The department shall develop reasonable standards for participation by providers or persons who bill on behalf of providers in the use of claim transmission methods utilized pursuant to this section. These standards shall be designed to ensure that participants are able to submit technically competent claims and reduce the potential for fraud and abuse.

To the extent required by federal and state law, the fiscal intermediary shall retain claim data submitted by providers pursuant to this section. The department shall, however, return to a health care provider original tapes, diskettes, and any other similar devices which are used by the provider pursuant to this section.

In order to reduce the amount of paperwork or attachments which are required to be completed by a provider submitting a bill for services under this chapter to the fiscal intermediary, the department shall direct the fiscal intermediary to investigate and develop the means to incorporate as much information as possible on the electronic format.

CHAPTER 333

An act to amend Sections 21365, 21365.6, and 21385.5 of the Government Code, relating to public employee retirement, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 9, 1984 Filed with Secretary of State July 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 21365 of the Government Code is amended to read:

21365. The special death benefit shall begin to accrue on the day next following the date of the member's death, and shall be paid in monthly installments to the surviving wife and children as prescribed in Section 21364. The surviving spouse or the guardian of the minor child or children entitled to the special death benefit may elect, before the first payment, to receive the basic death benefit in lieu of the special death benefit. Such an election precludes a claim to benefits under Section 4707 of the Labor Code as the special death benefit is deemed payable by this system and is irrevocable.

SEC. 2. Section 21365.6 of the Government Code is amended to read:

21365.6. The surviving spouse of a member who has attained age 50, and who is eligible to receive an allowance pursuant to Section 21365.5, shall instead receive an allowance which is equal to the amount that the member would have received if the member had been retired from service on the date of death and had elected optional settlement 2. The surviving spouse of a member who has attained age 50, and who is eligible to receive a special death benefit in lieu of an allowance under Section 21365.5, may elect to instead receive an allowance which is equal to the amount that the member would have received if the member had been retired from service on the date of death and had elected optional settlement 2.

The allowance shall be payable as long as the surviving spouse lives or until remarriage. Upon the death or remarriage of the surviving spouse, the benefit shall be continued to minor children, as defined in Section 25 of the Civil Code, or a lump sum shall be paid as provided under circumstances specified in Section 21365.5 or in Sections 21364 and 21366, as the case may be.

The allowance provided by this section shall be paid in lieu of the basic death benefit, but the surviving spouse qualifying for the allowance may elect before the first payment on account of it to receive such basic death benefit in lieu of the allowance.

If the surviving spouse, who did not elect the option settlement 2 in lieu of the special death benefit, and who is receiving an allowance which is equal to the amount that the member would have received if the member had been retired for service on the date of death, and had elected optional settlement 2, did not have the opportunity to elect the basic death benefit in lieu of the monthly allowance, he or she shall have the opportunity to elect the balance of the basic death benefit. The balance of the basic death benefit will consist of the basic death benefit that would have been payable upon the death of the member less the amount of gross monthly allowances paid to date of election. The election must be filed with the board within 60 days after the receipt of notification by the surviving spouse.

This section shall apply with respect to state members whose death occurs on and after July 1, 1976.

All references in this code to Section 21365.5 shall be deemed to include this section in the alternative.

This section shall not apply to any contracting agency nor to the employees of any contracting agency unless and until the agency elects to be subject to this section by amendment to its contract made in the manner prescribed for approval of contracts, except that an election among the employees is not required, or, in the case of contracts made after January 1, 1985, by express provision in the contract making the contracting agency subject to this section.

SEC. 3. Section 21385.5 of the Government Code is amended to read:

21385.5. This article shall apply to employees of a contracting agency whose services are included in the federal system when employees of another contracting agency who are subject to this

article are made by lawful merger of the contracting agencies the employees of such contracting agency. In such case, the application of this article shall be limited to those employees to whom it applied prior to the merger and shall terminate upon expiration of five years following the date of the merger. This article shall apply to such persons whether the merger occurs before or after the effective date of this section.

This article shall also apply to employees of a contracting agency which is a nonprofit organization. The application of this article shall be limited to those employees to whom it applied prior to January 1, 1984, and shall terminate on December 31, 1991.

SEC. 4. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that 1959 Survivor Benefits may, at the earliest possible time, be continued for employees of certain contracting agencies which are private nonprofit organizations for which Social Security coverage was mandated on January 1, 1984, until Social Security benefits for such persons vest and the employees become fully insured, it is necessary that this act take effect immediately.

CHAPTER 334

An act to amend Section 23356.2 of the Business and Professions Code, relating to alcoholic beverage.

[Approved by Governor July 9, 1984. Filed with Secretary of State July 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 23356.2 of the Business and Professions Code is amended to read:

23356.2. No license or permit shall be required for the manufacture of beer for personal or family use, and not for sale, by a person over the age of 21 years. The aggregate amount of beer with respect to any household shall not exceed (a) 200 gallons per calendar year if there are two or more adults in such household, or (b) 100 gallons per calendar year if there is only one adult in such

household.

Any beer manufactured pursuant to this section may be removed from the premises where manufactured for use in competition at organized affairs, exhibitions or competitions, including homemakers' contests, tastings, or judgings.

CHAPTER 335

An act to amend Sections 102, 166, 315, and 1501 of, and to add Section 25117 to, the Corporations Code, relating to corporations, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 9, 1984 Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 102 of the Corporations Code is amended to read:

102. (a) Subject to Chapter 23 (commencing with Section 2300) (transition provisions), this division applies to corporations organized under this division and to domestic corporations which are not subject to Division 2 (commencing with Section 5000) or Part 1 (commencing with Section 12000), 2 (commencing with Section 12200), 3 (commencing with Section 13200), or 5 (commencing with Section 14000) of Division 3 on December 31, 1976, and which are not organized or existing under any statute of this state other than this code; this division applies to any other corporation only to the extent expressly included in a particular provision of this division.

(b) The existence of corporations formed or existing on the date of enactment or reenactment of this division shall not be affected by the enactment or reenactment of this division nor by any change in the requirements for the formation of corporations nor by the amendment or repeal of the laws under which they were formed or created.

(c) Neither the repeals effected by the enactment or reenactment of this division nor the enactment of this title nor the amendment thereof shall impair or take away any existing liability or cause of action against any corporation, its shareholders, directors, or officers incurred prior to the time of the enactment, reenactment, or amendment.

SEC. 2. Section 166 of the Corporations Code is amended to read:

166. "Distribution to its shareholders" means the transfer of cash or property by a corporation to its shareholders without consideration, whether by way of dividend or otherwise, except a dividend in shares of the corporation, or the purchase or redemption of its shares for cash or property, including the transfer, purchase, or redemption by a subsidiary of the corporation. The time of any

distribution by way of dividend shall be the date of declaration thereof and the time of any distribution by purchase or redemption of shares shall be the date cash or property is transferred by the corporation, whether or not pursuant to a contract of an earlier date; provided, that where a negotiable debt security (as defined in subdivision (1) of Section 8102 of the Commercial Code) is issued in exchange for shares the time of the distribution is the date when the corporation acquires the shares in the exchange. In the case of a sinking fund payment, cash or property is transferred within the meaning of this section at the time that it is delivered to a trustee for the holders of preferred shares to be used for the redemption of the shares or physically segregated by the corporation in trust for that purpose. "Distribution to its shareholders" shall not include (a) satisfaction of a final judgment of a court or tribunal of appropriate jurisdiction ordering the rescission of the issuance of shares, (b) the rescission by a corporation of the issuance of it shares, if the board determines (with any director who is, or would be, a party to the transaction not being entitled to vote) that (1) it is reasonably likely that the holder or holders of the shares in question could legally enforce a claim for the rescission, (2) that the rescission is in the best interests of the corporation, and (3) the corporation is likely to be able to meet its liabilities (except those for which payment is otherwise adequately provided) as they mature, or (c) the repurchase by a corporation of its shares issued by it pursuant to Section 408, if the board determines (with any director who is, or would be, a party to the transaction not being entitled to vote) that (1) the repurchase is in the best interests of the corporation and that (2) the corporation is likely to be able to meet its liabilities (except those for which payment is otherwise adequately provided) as they mature.

SEC. 3. Section 315 of the Corporations Code is amended to read:

315. (a) A corporation shall not make any loan of money or property to, or guarantee the obligation of, any director or officer of the corporation or of its parent, unless the transaction, or an employee benefit plan authorizing the loans or guaranties after disclosure of the right under such a plan to include officers or directors, is approved by a majority of the shareholders (Section 153), with the shares owned by the director or officer, or by the directors or officers then eligible to participate in the plan not being entitled to vote thereon or (2) is approved by the unanimous vote of the shareholders.

(b) Notwithstanding subdivision (a), if the corporation has outstanding shares held of record by 100 or more persons (determined as provided in Section 605) on the date of approval by the board, and has a bylaw approved by the outstanding shares (Section 152) authorizing the board alone to approve such a loan or guaranty to an officer, whether or not a director, or an employee benefit plan authorizing such a loan or guaranty to an officer, such a loan or guaranty or employee benefit plan may be approved by the

board alone by a vote sufficient without counting the vote of any interested director or directors if the board determines that such a loan or guaranty or plan may reasonably be expected to benefit the corporation.

(c) A corporation shall not make any loan of money or property to, or guarantee the obligation of, any person upon the security of shares of the corporation or of its parent if the corporation's recourse in the event of default is limited to the security for the loan or guaranty, unless the loan or guaranty is adequately secured without considering these shares, or the loan or guaranty is approved by a majority of the shareholders entitled to act thereon.

(d) Notwithstanding subdivision (a), a corporation may advance money to a director or officer of the corporation or of its parent for any expenses reasonably anticipated to be incurred in the performance of the duties of the director or officer, provided that in the absence of the advance the director or officer would be entitled to be reimbursed for the expenses by the corporation, its parent, or any subsidiary.

(e) The provisions of subdivision (a) do not apply to the payment of premiums in whole or in part by a corporation on a life insurance policy on the life of a director or officer so long as repayment to the corporation of the amount paid by it is secured by the proceeds of the policy and its cash surrender value.

(f) This section does not apply to any of the following:

(1) Any transaction, plan, or agreement permitted under Section 408.

(2) Any depository institution, as defined in Section 202 of the Depository Institutions Management Interlocks Act (12 U.S.C. Sec. 3201).

(3) Any loan or guaranty made by a corporation that makes loans or guaranties in the ordinary course of its business if statutes or regulations pertaining to the corporation expressly regulate the making by the corporation of loans to its officers or directors or the undertaking of guaranties of the obligations of its officers or directors.

(g) For the purposes of subdivisions (a) and (c), "approval of a majority of the shareholders entitled to act" means either (1) written consent of a majority of the outstanding shares without counting as outstanding or as consenting any shares owned by any officer or director eligible to participate in the plan or transaction that is subject to this approval, (2) the affirmative vote of the majority of the shares present and voting at a duly held meeting at which a quorum is otherwise present, without counting for purposes of the vote as either present or voting any shares owned by any officer or director eligible to participate in the plan or transaction that is subject to the approval, or (3) the unanimous vote or written consent of the shareholders.

SEC. 4. Section 1501 of the Corporations Code is amended to read:

1501. (a) The board shall cause an annual report to be sent to the shareholders not later than 120 days after the close of the fiscal year, unless in the case of a corporation with less than 100 holders of record of its shares (determined as provided in Section 605) this requirement is expressly waived in the bylaws. This report shall contain a balance sheet as of the end of that fiscal year and an income statement and statement of changes in financial position for that fiscal year, accompanied by any report thereon of independent accountants or, if there is no such report, the certificate of an authorized officer of the corporation that the statements were prepared without audit from the books and records of the corporation.

Unless so waived, the report shall be sent to the shareholders at least 15 (or, if sent by third-class mail, 35) days prior to the annual meeting of shareholders to be held during the next fiscal year, but this requirement shall not limit the requirement for holding an annual meeting as required by Section 600.

Notwithstanding Section 114, the financial statements of any corporation with fewer than 100 holders of record of its shares (determined as provided in Section 605) required to be furnished by this subdivision and subdivision (c) are not required to be prepared in conformity with generally accepted accounting principles if they reasonably set forth the assets and liabilities and the income and expense of the corporation and disclose the accounting basis used in their preparation.

(b) In addition to the financial statements required by subdivision (a), the annual report of any corporation having 100 or more holders of record of its shares (determined as provided in Section 605) either not subject to the reporting requirements of Section 13 of the Securities Exchange Act of 1934, or exempted from those reporting requirements by Section 12(g)(2) of that act, shall also describe briefly both of the following:

(1) Any transaction (excluding compensation of officers and directors) during the previous fiscal year involving an amount in excess of forty thousand dollars ($40,000) (other than contracts let at competitive bid or services rendered at prices regulated by law) to which the corporation or its parent or subsidiary was a party and in which any director or officer of the corporation or of a subsidiary or (if known to the corporation or its parent or subsidiary) any holder of more than 10 percent of the outstanding voting shares of the corporation had a direct or indirect material interest, naming the person and stating the person's relationship to the corporation, the nature of the person's interest in the transaction and, where practicable, the amount of the interest; provided that in the case of a transaction with a partnership of which the person is a partner, only the interest of the partnership need be stated; and provided further that no such report need be made in the case of any transaction approved by the shareholders (Section 153).

(2) The amount and circumstances of any indemnification or

advances aggregating more than ten thousand dollars ($10,000) paid during the fiscal year to any officer or director of the corporation pursuant to Section 317; provided that no such report need be made in the case of indemnification approved by the shareholders (Section 153) under paragraph (2) of subdivision (e) of Section 317.

(c) If no annual report for the last fiscal year has been sent to shareholders, the corporation shall, upon the written request of any shareholder made more than 120 days after the close of that fiscal year, deliver or mail to the person making the request within 30 days thereafter the financial statements required by subdivision (a) for that year. A shareholder or shareholders holding at least 5 percent of the outstanding shares of any class of a corporation may make a written request to the corporation for an income statement of the corporation for the three-month, six-month or nine-month period of the current fiscal year ended more than 30 days prior to the date of the request and a balance sheet of the corporation as of the end of the period and, in addition, if no annual report for the last fiscal year has been sent to shareholders, the statements referred to in subdivision (a) for the last fiscal year. The statements shall be delivered or mailed to the person making the request within 30 days thereafter. A copy of the statements shall be kept on file in the principal office of the corporation for 12 months and it shall be exhibited at all reasonable times to any shareholder demanding an examination of the statements or a copy shall be mailed to the shareholder.

(d) The quarterly income statements and balance sheets referred to in this section shall be accompanied by the report thereon, if any, of any independent accountants engaged by the corporation or the certificate of an authorized officer of the corporation that the financial statements were prepared without audit from the books and records of the corporation.

(e) In addition to the penalties provided for in Section 2200, the superior court of the proper county shall enforce the duty of making and mailing or delivering the information and financial statements required by this section and, for good cause shown, may extend the time therefor.

(f) In any action or proceeding under this section, if the court finds the failure of the corporation to comply with the requirements of this section to have been without justification, the court may award an amount sufficient to reimburse the shareholder for the reasonable expenses incurred by the shareholder, including attorneys' fees, in connection with the action or proceeding.

(g) This section applies to any domestic corporation and also to a foreign corporation having its principal executive office in this state or customarily holding meetings of its board in this state.

SEC. 5. Section 25117 is added to the Corporations Code, to read:

25117. (a) An evidence of indebtedness, and the purchasers thereof, shall be exempt from the usury provisions of Section 1 of Article XV of the California Constitution if (1) the evidence of

indebtedness is rated or provisionally rated by Standard & Poor's Corporation as AAA, AA, A, BBB, or investment grade commercial paper, or by Moody's Investors Service, Inc. as Aaa, Aa, A, Baa, or investment grade commercial paper, including any such ratings with "+" or "-" designation or other variations that occur within these ratings, or (2) the issuer thereof either (A) has any security listed or approved for listing upon notice of issuance on a national securities exchange certified by the commissioner, pursuant to subdivision (o) of Section 25100, or (B) meets each of the following requirements:

(i) The issuer is a corporation which is subject to Section 13 of the Securities Exchange Act of 1934.

(ii) The issuer had total shareholders' equity of at least one million dollars ($1,000,000) at the end of its most recent fiscal year, and had consolidated net income, after all charges, including taxes and extraordinary losses, and excluding extraordinary gains, of at least five hundred thousand dollars ($500,000) for three of its last four fiscal years, including its most recent fiscal year. The determination of total shareholders' equity and net income shall be determined in conformity with generally accepted accounting principles applicable to that fiscal year or years, on a consolidated basis.

(b) This section creates and authorizes a class of persons pursuant to Section 1 of Article XV of the California Constitution.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Since the provisions of the bill affect pending transactions, it is therefore necessary that the bill take effect immediately.

CHAPTER 336

An act to amend Section 593e of the Penal Code, relating to telecommunications.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 593e of the Penal Code is amended to read:

593e. (a) Every person who knowingly and willfully makes or maintains an unauthorized connection or connections, whether physically, electrically, or inductively, or purchases, possesses, attaches, causes to be attached, assists others in or maintains the attachment of any unauthorized device or devices to a television set or to other equipment designed to receive a television broadcast or transmission, or makes or maintains any modification or alteration to any device installed with the authorization of a subscription

television system, for the purpose of intercepting, receiving, or using any program or other service carried by the subscription television system which the person is not authorized by that subscription television system to receive or use, is guilty of a misdemeanor punishable by a fine not exceeding one thousand dollars ($1,000), or by imprisonment in the county jail not exceeding 90 days, or both. For the purposes of this section, each such purchase, possession, connection, attachment or modification shall constitute a separate violation of this section.

(b) Every person who, without the express authorization of a subscription television system, knowingly and willfully manufactures, imports into this state, assembles, distributes, sells, offers to sell, possesses, advertises for sale, or otherwise provides any device, any plan, or any kit for a device or for a printed circuit, designed in whole or in part to decode, descramble, intercept, or otherwise make intelligible any encoded, scrambled, or other nonstandard signal carried by that subscription television system, is guilty of a misdemeanor punishable by a fine not exceeding ten thousand dollars ($10,000) or by imprisonment in the county jail, or both. A second or subsequent conviction is punishable by a fine not exceeding twenty thousand dollars ($20,000) or by imprisonment in the county jail for up to one year, or both.

(c) Any person who violates the provisions of subdivision (a) shall be liable to the subscription television system for civil damages in the amount of the value of the connection and subscription fees service actually charged by the subscription television system for the period of unauthorized use according to proof.

Any person who violates the provisions of subdivision (b) shall be liable to the subscription television system at the election of the subscription television system for either of the following amounts:

(1) An award of statutory damages in an aggregate amount of not less that five hundred dollars ($500) or more than ten thousand dollars ($10,000), as the court deems just, for each device, plan, or kit for a device, or for a printed circuit manufactured, imported, assembled, sold, offered for sale, possessed, advertised for sale, or otherwise provided in violation of subdivision (b), to be awarded instead of actual damages and profits.

(2) Three times the amount of actual damages sustained by the plaintiff as a result of the violation or violations of this section and any revenues which have been obtained by the defendant as a result of the violation or violations, or an amount equal to three times the value of the services unlawfully obtained, or the sum of five hundred dollars ($500) for each unauthorized device manufactured, sold, used, or distributed, whichever is greater, and, when appropriate, punitive damages. For the purposes of this subdivision, revenues which have been obtained by the defendant as a result of a violation or violations of this section shall not be included in computing actual damages.

In a case where the court finds that any activity set forth in

subdivision (b) was committed knowingly and willfully and for purposes of commercial advantage or private financial gain, the court in its discretion may increase the award of damages, whether actual or statutory, by an amount of not more than fifty thousand dollars ($50,000). It shall not constitute a use for "commercial advantage or private financial gain" for any person to receive a subscription television signal within a residential unit as defined herein.

(d) In any civil action filed pursuant to this section, the court shall allow the recovery of full costs plus an award of reasonable attorney's fees to the prevailing party.

(e) Any subscription television system may, in accordance with the provisions of Chapter 3 (commencing with Section 525) of Title 7 of Part 2 of the Code of Civil Procedure, bring an action to enjoin and restrain any violation of this section without having to make a showing of special or irreparable damage, and may in the same action seek damages as provided in subdivision (c). Upon the execution of a proper bond against damages for an injunction improvidently granted, a temporary restraining order or a preliminary injunction may be issued in any such action before a final determination on the merits.

(f) It is not necessary that the plaintiff have incurred actual damages, or be threatened with incurring actual damages, as a prerequisite to bringing an action pursuant to this section.

(g) For the purposes of this section, an encoded, scrambled, or other nonstandard signal shall include, without limitation, any type of distorted signal or transmission that is not intended to produce an intelligible program or service without the use of special devices or information provided by the sender for the receipt of such signal or transmission.

(h) (1) For the purposes of this section, a "subscription television system" means a television system which sends an encoded, scrambled, or other nonstandard signal over the air which is not intended to be received in an intelligible form without special equipment provided by or authorized by the sender.

(2) For purposes of this section, "residential unit" is defined as any single-family residence, mobilehome within a mobilehome park, condominium, unit or an apartment or multiple-housing unit leased or rented for residential purposes.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 337

An act to amend Sections 66457, 66463, and 66463.5 of the Government Code, relating to subdivisions.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 66457 of the Government Code is amended to read:

66457. (a) A final map or parcel map conforming to the approved or conditionally approved tentative map, if any, may be filed with the legislative body for approval after all required certificates on such map have been signed and, where necessary, acknowledged. The date the map shall be deemed filed with the legislative body is the date on which the clerk of the legislative body receives the map.

(b) If the subdivision lies entirely within the territory of a city, the map shall be filed with the city; if entirely within unincorporated territory, the map shall be filed with the county; and if partially within two or more of such territories, the map shall be filed with each, and in the latter case each shall act thereon as provided in this chapter.

SEC. 2. Section 66463 of the Government Code is amended to read:

66463. Except as otherwise provided for in this code, the procedure for processing, approval, conditional approval, or disapproval and filing of parcel maps and modifications thereof shall be as provided by local ordinance. The provisions of Sections 66477.1, 66477.2, and 66477.3 relating to dedications and offers of dedication on final maps shall apply to dedications and offers of dedications on parcel maps.

Whenever a local agency provides, by ordinance, for the approval, conditional approval, or disapproval of parcel maps by the county engineer, surveyor, or other designated official, the local agency may also, by ordinance, provide that the officer may accept or reject dedications and offers of dedication that are made by certificate on the map.

Whenever a local agency provides, by ordinance, for the approval of parcel maps by the legislative body, the parcel maps shall be filed pursuant to the procedure for final maps as prescribed by Sections 66457 and 66458.

SEC. 3. Section 66463.5 of the Government Code is amended to read:

66463.5. (a) When a tentative map is required, an approved or conditionally approved tentative map shall expire 24 months after its approval or conditional approval, or after any additional period of

time as may be prescribed by local ordinance, not to exceed an additional 12 months.

(b) The expiration of the approved or conditionally approved tentative map shall terminate all proceedings and no parcel map of all or any portion of the real property included within the tentative map shall be filed without first processing a new tentative map.

(c) Upon application of the subdivider filed prior to the expiration of the approved or conditionally approved tentative map, the time at which the map expires may be extended by the legislative body or by an advisory agency authorized to approve or conditionally approve the tentative maps for a period or periods not exceeding a total of three years. If the advisory agency denies a subdivider's application for extension, the subdivider may appeal to the legislative body within 15 days after the advisory agency has denied the extension.

(d) The period of time specified in subdivision (a) shall not include any period of time during which a development moratorium, imposed after approval of the tentative map, is in existence, provided however, that the length of the moratorium does not exceed five years.

Once a moratorium is terminated, the map shall be valid for the same period of time as was left to run on the map at the time that the moratorium was imposed. However, if the remaining time is less than 120 days, the map shall be valid for 120 days following the termination of the moratorium.

(e) The period of time specified in subdivision (a) shall not include any period of time during which a lawsuit has been filed and is pending in a court of competent jurisdiction involving the approval or conditional approval of a tentative map if a stay of the time period is approved by the local agency pursuant to this section. Within 10 days of the service of the initial petition or complaint in the lawsuit upon the local agency, the subdivider may apply to the local agency for a stay pursuant to the local agency's adopted procedures. Within 40 days after receiving the application, the local agency shall either stay the time period for up to five years or deny the requested stay. The local agency may, by ordinance, establish procedures for reviewing the requests, including, but not limited to, notice and hearing requirements, appeal procedures and other administrative requirements.

(f) For purposes of this section, a development moratorium shall include a water or sewer moratorium or a water and sewer moratorium, as well as other actions of public agencies which regulate land use, development, or the provision of services to the land, other than the public agency with the authority to approve or conditionally approve the tentative map, which thereafter prevents, prohibits, or delays the approval of a parcel map.

SEC. 4. Section 66463.5 of the Government Code is amended to read:

66463.5. (a) When a tentative map is required, an approved or

conditionally approved tentative map shall expire 24 months after its approval or conditional approval, or after any additional period of time as may be prescribed by local ordinance, not to exceed an additional 12 months.

(b) The expiration of the approved or conditionally approved tentative map shall terminate all proceedings and no parcel map of all or any portion of the real property included within the tentative map shall be filed without first processing a new tentative map.

(c) Upon application of the subdivider filed prior to the expiration of the approved or conditionally approved tentative map, the time at which the map expires may be extended by the legislative body or by an advisory agency authorized to approve or conditionally approve tentative maps for a period or periods not exceeding a total of three years. If the advisory agency denies a subdivider's application for extension, the subdivider may appeal to the legislative body within 15 days after the advisory agency has denied the extension.

(d) The period of time specified in subdivision (a) shall not include any period of time during which a development moratorium, imposed after approval of the tentative map, is in existence, provided however, that the length of the moratorium does not exceed five years.

Once a moratorium is terminated, the map shall be valid for the same period of time as was left to run on the map at the time that the moratorium was imposed. However, if the remaining time is less than 120 days, the map shall be valid for 120 days following the termination of the moratorium.

(e) The period of time specified in subdivision (a) shall not include any period of time during which a lawsuit has been filed and is pending in a court of competent jurisdiction involving the approval or conditional approval of a tentative map if a stay of the time period is approved by the local agency pursuant to this section. Within 10 days of the service of the initial petition or complaint in the lawsuit upon the local agency, the subdivider may apply to the local agency for a stay pursuant to the local agency's adopted procedures. Within 40 days after receiving the application, the local agency shall either stay the time period for up to five years or deny the requested stay. The local agency may, by ordinance, establish procedures for reviewing the requests, including, but not limited to, notice and hearing requirements, appeal procedures and other administrative requirements.

(f) For purposes of this section, a development moratorium shall include a water or sewer moratorium or a water and sewer moratorium, as well as other actions of public agencies which regulate land use, development, or the provision of services to the land, other than the public agency with the authority to approve or conditionally approve the tentative map, which thereafter prevents, prohibits, or delays the approval of a parcel map.

(g) Notwithstanding the provisions of subdivisions (a), (b), and

(c), for the purposes of Chapter 4.5 (commencing with Section 66498.1), subdivision (g) of Section 66452.6 shall apply to tentative maps prepared in connection with a parcel map.

SEC. 5. Section 4 of this bill incorporates amendments to Section 66463.5 of the Government Code proposed by both this bill and SB 1660. It shall only become operative if (1) both bills are enacted and become effective on January 1, 1985, (2) each bill amends Section 66463.5 of the Government Code, and (3) this bill is enacted after SB 1660, in which case Section 3 of this bill shall not become operative.

CHAPTER 338

An act to add and repeal Section 31120 of the Public Resources Code, relating to fishing, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. This act is known and may be cited as the Emergency Fishing Fleet Safety Act of 1984.

SEC. 2. Section 31120 is added to the Public Resources Code, to read:

31120. (a) Notwithstanding any other provision of law, during, or in the year following, any year that the conservancy has determined to be a year of economic disaster for California full-time commercial fishermen which prevents a significant number of California full-time commercial fishermen from being able to maintain their commercial fishing boats adequately, the conservancy, using any available, unencumbered funds which are appropriated to the conservancy for the purposes of this division, may loan money to one or more California nonprofit corporations or consumer cooperative corporations, who represent affected California full-time commercial fishermen, for the sole purpose of making safety improvements to affected working California commercial fishing boats. A loan may include reasonable administrative costs of the nonprofit corporation or consumer cooperative corporation.

(b) A loan shall be made on terms and conditions that are mutually agreeable to the conservancy and the nonprofit corporation or consumer cooperative corporation receiving the loan. These terms and conditions shall include all the following requirements:

(1) The funds from the loan shall benefit the largest number of California full-time commercial fishermen with the greatest need.

(2) The funds shall be expended solely to benefit working

California commercial fishing boats.

(3) The loan shall be secured by a lien on the boats repaired or equipment purchased, or both.

(4) The nonprofit corporation or consumer cooperative corporation shall begin reimbursing the conservancy no later than one year after the end of the economic disaster, as determined by the conservancy pursuant to the terms and conditions of the loan agreement.

(5) The loan shall be repaid within three years of the date the nonprofit corporation or consumer cooperative corporation began reimbursing the conservancy.

(6) The nonprofit corporation or consumer cooperative corporation shall reimburse the conservancy in full, including interest at the prevailing rates.

(c) The following definitions govern the construction of this section:

(1) "Prevailing rate" means the most current investment rate of the Pooled Money Investment Account as of the date of the loan agreement.

(2) "Consumer cooperative corporation" means a corporation organized and operating under the Consumer Cooperative Corporations Law,Part 2 (commencing with Section 12200) of Division 3 of Title 1 of the Corporations Code.

(d) This section shall remain in effect only until January 1, 1986, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1986, deletes or extends that date.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the State Coastal Conservancy may award reimbursable grants to benefit California full-time commercial fishermen before the beginning of the 1984 California commercial salmon and Pacific mackerel fishing seasons, it is necessary that this act take effect immediately.

CHAPTER 339

An act to amend Section 626.10 of the Penal Code, relating to weapons on school grounds.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 626.10 of the Penal Code is amended to read:

626.10. (a) Any person, except a duly appointed peace officer as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2, a full-time paid peace officer of another state or the federal government who is carrying out official duties while in this state, a person summoned by any such officer to assist in making arrests or preserving the peace while the person is actually engaged in assisting any such officer, or a member of the military forces of this state or the United States who is engaged in the performance of his or her duties, who brings or possesses any dirk, dagger, knife having a blade longer than 3½ inches, folding knife with a blade that locks into place, or a razor with an unguarded blade upon the grounds of, or within, any public school providing instruction in kindergarten or any of grades 1 through 12, inclusive, is guilty of a misdemeanor.

(b) Any person, except a duly appointed peace officer as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2, a full-time paid peace officer of another state or the federal government who is carrying out official duties while in this state, a person summoned by any such officer to assist in making arrests or preserving the peace while the person is actually engaged in assisting any such officer, or a member of the military forces of this state or the United States who is engaged in the performance of his or her duties, who brings or possesses any dirk, dagger, or knife having a fixed blade longer than 3½ inches upon the grounds of, or within, any state university, state college, or community college is guilty of a misdemeanor.

(c) Subdivisions (a) and (b) shall not apply to any person who brings or possesses a knife having a blade longer than 3½ inches or a razor with an unguarded blade upon the grounds of, or within, a public school providing instruction in kindergarten or any of grades 1 through 12, inclusive, or any state university, state college, or community college at the direction of a certificated or classified employee of the school for use in a school-sponsored activity or class.

(d) Subdivisions (a) and (b) do not apply to any person who brings or possesses a knife having a blade longer than 3½ inches or a razor with an unguarded blade upon the grounds of, or within, a public school providing instruction in kindergarten or any of grades 1 through 12, inclusive, or any state university, state college, or community college for a lawful purpose within the scope of the person's employment.

(e) Subdivision (b) shall not apply to any person who brings or possesses a knife having a fixed blade longer than 3½ inches upon the grounds of, or within, any state university, state college, or community college, for lawful use in or around a residence or residential facility located upon those grounds or for lawful use in food preparation or consumption.

(f) Any certificated or classified employee or school peace officer of a public school providing instruction in kindergarten or any of

grades 1 through 12, inclusive, may seize any of the weapons described in subdivision (a), and any certificated or classified employee or school peace officer of any state university, state college, or community college may seize any of the weapons described in subdivision (b) from the possession of any person upon the grounds of, or within, the school if he knows or has reasonable cause to know the person is prohibited from bringing or possessing the weapon upon the grounds of, or within, the school.

CHAPTER 340

An act to amend Section 26802.5 of the Government Code, relating to county officers.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 26802.5 of the Government Code is amended to read:

26802.5. In a county of the 11th, 15th, or 17th class, as ascertained and determined by Section 28020, a registrar of voters may be appointed by the board of supervisors in the same manner as other county officers are appointed. In those counties, the county clerk is not ex officio registrar of voters, and the registrar of voters shall discharge all duties vested by law in the county clerk which duties relate to and are a part of the election procedure.

CHAPTER 341

An act to amend Sections 662 and 11580.06 of, and to add Section 662.1 to, the Insurance Code, relating to insurance.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 662 of the Insurance Code is amended to read:

662. No notice of cancellation of a policy to which Section 661 applies shall be effective unless mailed or delivered by the insurer to the named insured, lienholder, or additional interest at least 20 days prior to the effective date of cancellation; provided, however, that where cancellation is for nonpayment of premium, at least 10 days' notice of cancellation accompanied by the reason therefor shall

be given. Unless the reason accompanies or is included in the notice of cancellation, the notice of cancellation shall state or be accompanied by a statement that upon written request of the named insured, mailed or delivered to the insurer not less than 15 days prior to the effective date of cancellation, the insurer will specify the reason for such cancellation.

This section shall not apply to nonrenewal.

SEC. 2. Section 662.1 is added to the Insurance Code, to read:

662.1. Proof of mailing of a notice of cancellation to a lienholder or an additional interest on a policy to which this chapter applies shall be sufficient to terminate the interest of the parties provided the notice is mailed at least the maximum number of days prior to termination of the parties' interest as required by Section 662. No lienholder or additional interest shall require a more restrictive form of notice.

SEC. 3. Section 11580.06 of the Insurance Code is amended to read:

11580.06. Except as may be otherwise provided in this article:

(a) The term "motor vehicle" means any vehicle designed for use principally upon streets and highways and subject to motor vehicle registration under the laws of this state.

(b) The term "insured" shall include the person or persons to whom any policy subject to this article is issued as named insured and any other person to whom coverage is afforded under the terms of any such policy.

(c) The term "bodily injury" shall include sickness or disease, including death resulting therefrom.

(d) The term "automobile" means any self-propelled motor vehicle, with neither more than nor less than four wheels, designed for use principally upon streets and highways and subject to motor vehicle registration under the laws of this state.

(e) The term "arrest" shall have the same meaning as set forth in Section 834 of the Penal Code.

(f) The term "operated by" or "when operating" shall be conclusively presumed to describe the conduct of the person sitting immediately behind the steering controls of the motor vehicle. The person shall be conclusively presumed to be the sole operator of the motor vehicle.

(g) The term "use" when applied to a motor vehicle shall only mean operating, maintaining, loading, or unloading a motor vehicle.

CHAPTER 342

An act to amend Sections 50189 and 52020 of the Health and Safety Code, relating to mortgage bonds, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 9, 1984. Filed with Secretary of State July 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 50189 of the Health and Safety Code is amended to read:

50189. One-third of the annual state ceiling shall be reserved for the entire calendar year for entitlement allocations to local agencies pursuant to subdivision (a). An additional one-third of the annual state ceiling shall be reserved until April 1 of each calendar year for supplementary allocations to local agencies pursuant to paragraphs (1) and (2) of subdivision (b). The maximum allocation of qualified mortgage bonds to any single local agency in a calendar year shall be the sum of the amounts determined pursuant to subdivisions (a) and (b), but not to exceed two hundred million dollars ($200,000,000). In no case, may a local agency be granted an approval of an entitlement or supplementary allocation which exceeds one hundred fifty million dollars ($150,000,000) at any one time. However, nothing shall preclude the local agency from requesting, after expiration of any previously granted allocation, a new allocation which, together with previously sold allocations, shall not exceed two hundred fifty million dollars ($250,000,000) in a calendar year.

In no case, may a local agency file a request for an allocation for a particular issue if a previous request for an allocation for the issue is then pending before the committee or if a previously approved allocation for the issue is not yet sold or expired.

(a) The entitlement allocation for a local agency in any calendar year shall be the greatest of one of the following:

(1) The local bond limit times the ratio of the population of the territory of the local agency for the prior calendar year to the population of the state for the prior calendar year, but not to exceed sixty million dollars ($60,000,000).

(2) The local bond limit times the ratio of the amount of growth in population of the territory of the local agency from the year 1975 to the year 1980 to the amount of growth in population of the state over the same period, but not to exceed sixty million dollars ($60,000,000).

(3) The local bond limit times the housing need of the local agency, not to exceed sixty million dollars ($60,000,000).

(4) Twenty million dollars ($20,000,000).

For purposes of this subdivision only, the population of the territory of a local agency for any given calendar year shall be deemed to be the Department of Finance's population estimate for that territory and year as of the effective date of this chapter and as subsequently revised.

The housing need of the local agency shall be the ratio of the number of households within the territory of the local agency paying more than 35 percent of their income for rent to the number of

households in the state paying more than 35 percent of their income for rent, according to the most recent available census.

(b) In addition to an entitlement allocation under subdivision (a), a local agency shall be eligible for a supplementary allocation of qualified mortgage bonds by filing a notice of intent pursuant to subdivision (b) of Section 50191 prior to April 1 of the calendar year, if the supplementary allocation of qualified mortgage bonds is restricted, by reason of provisions in the resolution or indenture authorizing the issuance of the qualified mortgage bonds or by reason of the statute under which the qualified mortgage bonds are issued, for use exclusively to provide mortgages to persons and families whose incomes do not exceed:

(1) One hundred twenty percent of the median household income in the case of financing for improving a residence or for residences where the purchaser will be the first occupant. Upon the resale of a home for which financing was originally provided under this paragraph, the maximum income of persons and families are also 120 percent of the median household income.

(2) The median household income where the purchaser will not be the first occupant. However, the issuer shall assure that no less than one-half of the funds allocated for financing where the purchaser will not be the first occupant shall be for households whose income does not exceed 80 percent of the median household income. However, the legislative body of the issuer may, by resolution, increase this income limitation to 90 percent of the median household income if the legislative body finds that there are insufficient numbers of creditworthy persons whose income does not exceed 80 percent of the median household income. Such a resolution shall be final and conclusive as to the findings required by this paragraph.

Supplementary allocations requested after April 1 may be for any purpose lawful under the federal act and state law. The committee shall not provide a supplementary allocation not restricted for use pursuant to paragraphs (1) and (2) until the committee has acted upon any pending requests for supplementary allocations filed prior to April 1 of each calendar year which are so restricted. However, after September 1, 1983, if the committee determines that the amount reserved for supplementary allocations shall not be used by the end of that year, the committee, in its discretion, may allocate sums reserved for supplementary allocations for any purpose lawful under the federal act and state law. However, the committee shall, in the order in which the applications were received, make every effort to allocate such sums to local agencies for entitlement and supplementary allocations in proportion to the amounts requested by the local agency in its application for entitlement and supplementary allocations.

SEC. 2. Section 52020 of the Health and Safety Code, as amended by Section 1 of Chapter 169 of the Statutes of 1983, is amended to read:

52020. (a) For purposes of a home financing program authorized by this part, a city or county has the following powers and duties:

(1) To acquire, contract, and enter into advance commitments to acquire, home mortgages made or owned by lending institutions at the purchase prices and upon the other terms and conditions as shall be determined by the city or county or other person as it may designate as its agent, to make and execute contracts with lending institutions for the origination and servicing of home mortgages, and to pay the reasonable value of services rendered under those contracts. Prior to executing any contract with a lending institution, a city or county shall adopt regulations establishing criteria for qualification of lending institutions eligible to originate and service home mortgages under home financing programs authorized by this part and shall, with respect to each home financing progam, permit each qualified lending institution which transacts business in the city or county the opportunity to participate in the program on an equitable basis with other participating lending institutions. Two or more cities in the same county, or a county and one or more cities within the county, or two or more adjacent counties and any number of cities within those counties may enter into an agreement to join or cooperate with one another in the exercise jointly, or otherwise, of any or all of their powers for the purpose of financing home mortgages pursuant to this part with respect to property within the boundaries of any one or more of the entities.

(2) To make loans to lending institutions under terms and conditions which, in addition to other provisions as determined by the city or county, shall require the lending institutions to use all of the net proceeds thereof, directly or indirectly, for the making of home mortgages in an aggregate principal amount equal to the amount of the net proceeds.

(3) To establish, by rules or regulations, in resolutions relating to any issuance of bonds or in any documents relating to the issuance, the standards and requirements applicable to the purchase of home mortgages or the making of loans to lending institutions as the city or county deems necessary or desirable to effectuate the purposes of this part, which may include without limitation the following:

(A) The time within which lending institutions are required to make commitments and disbursements for home mortgages.

(B) The location and other characteristics of homes to be financed by home mortgages.

(C) The terms and conditions of home mortgages to be acquired.

(D) The amounts and types of any insurance coverage required on homes, home mortgages, and bonds.

(E) The representations and warranties of lending institutions confirming compliance with the standards and requirements.

(F) Restrictions as to interest rate and other terms of home mortgages or the return realized therefrom by lending institutions.

(G) The type and amount of collateral security to be provided to assure repayment of any loans from the city or county and to assure

repayment of bonds.

(H) Any other matters related to the purchase of home mortgages or the making of loans to lending institutions as shall be deemed relevant by the city or county.

(4) To require from each lending institution from which home mortgages are purchased or to which loans are made the submission of evidence satisfactory to the city or county of the ability and intention of the lending institution to make home mortgages, and the submission, within the time specified by the city or county for making disbursements for home mortgages, of evidence satisfactory to the city or county of the making of home mortgages and of compliance with any standards and requirements established by it.

(b) Each city or county which finances housing pursuant to this part shall designate a person or entity to administer the program.

(c) Each city or county which finances housing pursuant to this part shall adopt regulations establishing criteria for qualification of persons and families, which may differ among different cities or counties to reflect varying economic and housing conditions. In developing this criteria, factors similar to the following shall be taken into consideration:

(1) The amount of the income of the person or family that is available for housing needs.

(2) The size of the household.

(3) The costs and condition of available housing.

(4) The eligibility of the persons or families for federal housing assistance of any type.

(d) Criteria for qualification of persons and families pursuant to this section shall include a maximum household income, which maximum shall not exceed the following:

(1) One hundred fifty percent of the median household income shall be for mortgages made for improving a home or for homes where the purchaser will be the first occupant. Upon the resale of a home for which financing was originally provided under this paragraph, the maximum income of persons and families shall also be 150 percent of the median household income. For purposes of this paragraph, a mortgage made for improving a home includes a home improvement loan as defined in Section 103A of the federal Internal Revenue Code of 1954, as amended.

(2) One hundred twenty percent of the median household income where the purchaser will not be the first occupant. However, the city or county shall assure that no less than 20 percent of the funds allocated for home mortgages where the purchaser will not be the first occupant shall be for households whose income does not exceed 110 percent of the median household income. However, the legislative body of the city or county may, by resolution, increase this income limitation to 120 percent of median household income if the legislative body finds that there are insufficient numbers of creditworthy persons whose income does not exceed the median household income. The resolution shall be final and conclusive as to

the findings required by this paragraph. However, the finding shall not be made by the legislative body before six months from the date mortgages were first made under the program and only if participating lenders have entered into an agreement with the city, county, or city and county that lenders will advertise at least monthly the availability of funds and will forfeit one-quarter of their origination fees if they are unable to use 20 percent of the funds to make mortgages to households whose income does not exceed 110 percent of the median income.

(3) One hundred fifty percent of the median household income shall be for mortgages made for improving a home or for homes where the purchaser will be the first occupant in any city, the entire area of which, or in any county in which a portion thereof, is designated by the United States Department of Commerce, Economic Development Administration as a special impact area within a Title IV redevelopment area, pursuant to Section 401 of the federal Public Works and Economic Development Act of 1965, as amended, and which is eligible for Urban Development Action Grant funds under the current distress standards established for cities and counties by the Secretary of the United States Department of Housing and Urban Development pursuant to Section 119 of the Housing and Community Development Act of 1974, provided that the homes purchased or improved are situated within the boundaries of a special impact area as defined by the Economic Development Administration, and that the designation is in effect on the date of sale of revenue bonds issued under this part.

As used in this subdivision, "median household income" means the highest of (A) statewide median household income, (B) countywide median household income, or (C) median family income for area as determined by the United States Department of Housing and Urban Development (with respect to either a standard metropolitan statistical area or an area outside of a standard metropolitan statistical area).

Any city or county which issued bonds pursuant to this chapter after August 1, 1981, may elect to apply the provisions of this subdivision and subdivision (c) to mortgagors obtaining mortgages from the proceeds of the bonds.

(e) Each city or county which finances housing pursuant to this part shall allocate no less than 60 percent of the dollar amount of its financing from bond proceeds to fund loans for the purchase of homes where the purchaser will be the first occupant, or for substantial rehabilitation. As used in this chapter, "substantial rehabilitation" means rehabilitation in which the costs of rehabilitation equal or exceed 20 percent of the value of the structure after rehabilitation.

(f) Each city or county which finances housing pursuant to this part shall require each mortgagor under the program to certify his or her intention to occupy the home for a minimum of two years after receiving a home mortgage, with appropriate exceptions in hardship

cases determined by the city or county.

(g) To do any and all things necessary to carry out the purposes and exercise the powers expressly granted by this part.

This section shall remain in effect only until June 30, 1985, and as of that date is repealed, unless a later enacted statute, which is chaptered before June 30, 1985, deletes or extends that date. However, the provisions of this section shall remain applicable to loans made on or after June 30, 1985 with the proceeds of bonds issued prior to that date.

SEC. 3. Section 52020 of the Health and Safety Code, as amended by Section 2 of Chapter 169 of the Statutes of 1983, is amended to read:

52020. (a) For purposes of a home financing program authorized by this part, a city or county has the following powers and duties:

(1) To acquire, contract, and enter into advance commitments to acquire, home mortgages made or owned by lending institutions at the purchase prices and upon the other terms and conditions as shall be determined by the city or county or other person as it may designate as its agent, to make and execute contracts with lending institutions for the origination and servicing of home mortgages and to pay the reasonable value of services rendered under those contracts. Prior to executing any contract with a lending institution, a city or county shall adopt regulations establishing criteria for qualification of lending institutions eligible to originate and service home mortgages under home financing programs authorized by this part and shall, with respect to each home financing program, permit each qualified lending institution which transacts business in the city or county the opportunity to participate in the program on an equitable basis with other participating lending institutions. Two or more cities in the same county, or a county and one or more cities within the county, or two or more adjacent counties and any number of cities within those counties may enter into an agreement to join or cooperate with one another in the exercise jointly, or otherwise, of any or all of their powers for the purpose of financing home mortgages pursuant to this part with respect to property within the boundaries of any one or more of the entities.

(2) To make loans to lending institutions under terms and conditions which, in addition to other provisions as determined by the city or county, shall require the lending institutions to use all of the net proceeds thereof, directly or indirectly, for the making of home mortgages in an aggregate principal amount equal to the amount of the net proceeds.

(3) To establish, by rules or regulations, in resolutions relating to any issuance of bonds or in any documents relating to the issuance, standards and requirements applicable to the purchase of home mortgages or the making of loans to lending institutions as the city or county deems necessary or desirable to effectuate the purposes of this part, which may include without limitation the following:

(A) The time within which lending institutions are required to

make commitments and disbursements for home mortgages.

(B) The location and other characteristics of homes to be financed by home mortgages.

(C) The terms and conditions of home mortgages to be acquired.

(D) The amounts and types of any insurance coverage required on homes, home mortgages and bonds.

(E) The representations and warranties of lending institutions confirming compliance with the standards and requirements.

(F) Restrictions as to interest rate and other terms of home mortgages or the return realized therefrom by lending institutions.

(G) The type and amount of collateral security to be provided to assure repayment of any loans from the city or county and to assure repayment of bonds.

(H) Any other matters related to the purchase of home mortgages or the making of loans to lending institutions as shall be deemed relevant by the city or county.

(4) To require from each lending institution from which home mortgages are purchased or to which loans are made the submission of evidence satisfactory to the city or county of the ability and intention of the lending institution to make home mortgages, and the submission, within the time specified by the city or county for making disbursements for home mortgages, of evidence satisfactory to the city or county of the making of home mortgages and of compliance with any standards and requirements established by it.

(b) Each city or county which finances housing pursuant to this part shall designate a person or entity to administer the program.

(c) Each city or county which finances housing pursuant to this part shall adopt regulations establishing criteria for qualification of persons and families, which may differ among different cities or counties to reflect varying economic and housing conditions. In developing this criteria, factors similar to the following shall be taken into consideration:

(1) The amount of the income of the person or family that is available for housing needs.

(2) The size of the household.

(3) The costs and condition of available housing.

(4) The eligibility of the persons or families for federal housing assistance of any type.

(d) Criteria for qualification of persons and families pursuant to this section shall include a maximum household income, which maximum shall not exceed the following:

(1) One hundred twenty percent of the median household income shall be for mortgages made for improving a home or for homes where the purchaser will be the first occupant. Upon the resale of a home for which financing was originally provided under this paragraph, the maximum income of persons and families shall also be 120 percent of the median household income.

(2) The median household income where the purchaser will not be the first occupant. However, the city or county shall assure that

no less than half the funds allocated for home mortgages where the purchaser will not be the first occupant shall be for households whose income does not exceed 80 percent of that median household income. However, the legislative body of the city or county may, by resolution, increase this income limitation to 90 percent of median household income if the legislative body finds that there are insufficient numbers of creditworthy persons whose income does not exceed 80 percent of median household income. The resolution shall be final and conclusive as to the findings required by this paragraph.

(3) One hundred fifty percent of the median household income shall be for mortgages made for improving a home or for homes where the purchaser will be the first occupant in any city, the entire area of which, or in any county in which a portion thereof, is designated by the United States Department of Commerce, Economic Development Administration as a special impact area within a Title IV redevelopment area, pursuant to Section 401 of the federal Public Works and Economic Development Act of 1965, as amended, and which is eligible for Urban Development Action Grant funds under the current distress standards established for cities and counties by the Secretary of the United States Department of Housing and Urban Development pursuant to Section 119, of the Housing and Community Development Act of 1974, provided that the homes purchased or improved are situated within the boundaries of a special impact area as defined by the Economic Development Administration, and that the designation is in effect on the date of sale of revenue bonds issued under this part.

As used in this subdivision, "median household income" means the highest of (A) statewide median household income, (B) countywide median household income, or (C) median family income for area as determined by the United States Department of Housing and Urban Development (with respect to either a standard metropolitan statistical area or an area outside of a standard metropolitan statistical area).

(e) Each city or county which finances housing pursuant to this part shall allocate no less than 60 percent of the dollar amount of its financing from bond proceeds to fund loans for the purchase of homes where the purchaser will be the first occupant, or for substantial rehabilitation. As used in this chapter, "substantial rehabilitation" means rehabilitation in which the costs of rehabilitation equal or exceed 20 percent of the value of the structure after rehabilitation.

(f) Each city or county which finances housing pursuant to this part shall require each mortgagor under the program to certify his or her intention to occupy the home for a minimum of two years after receiving a home mortgage, with appropriate exceptions in hardship cases determined by the city or county.

(g) Each city and county may do any and all things necessary to carry out the purposes and exercise the powers expressly granted by this part.

(h) This section shall become operative June 30, 1985.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that this act may take effect before certain mortgage financing provisions of state law pertaining to persons and families of low or moderate income are repealed, it is necessary for this act to take effect immediately

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CHAPTER 343

An act to amend Section 33113 of the Food and Agricultural Code, relating to dairy inspection.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 33113 of the Food and Agricultural Code is amended to read:

33113. A person is not eligible to take the examination unless the person possesses one of the following qualifications:

(a) Graduation from a four-year college with specialization in studies which related to dairy farms, milk and milk products, the food sciences, or animal science.

(b) Graduation from a veterinary college of recognized standing at the time of graduation and at least one year of experience in the production, processing, or inspection of milk or milk products.

(c) Employed as a registered sanitarian in the State of California for at least two years immediately prior to applying for the certification examination and possesses a bachelor's degree.

CHAPTER 344

An act to amend Section 905.5 of the Penal Code, relating to grand juries, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 905.5 of the Penal Code is amended to read:

905.5. (a) Except as otherwise provided in subdivision (b), the grand jury shall be impaneled and serve during the fiscal year of the

county in the manner provided in this chapter.

(b) The board of supervisors of a county may provide that the grand jury shall be impaneled and serve during the calendar year. The board of supervisors shall provide for an appropriate transition from fiscal year term to calendar year term or from calendar year term to fiscal year term for the grand jury. The provisions of subdivisions (a) and (b) of Section 901 shall not be deemed a limitation on any appropriate transition provisions as determined by resolution or ordinance; and, except as otherwise provided in this chapter, no transition grand jury shall serve more than 18 months.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

This enactment would, by taking immediate effect and authorizing grand jurors to serve up to 18 months, permit a county to make the transition from a fiscal year to a calendar year grand jury with the 1983–84 grand jury rather than waiting another year. The benefits of a calendar year grand jury term can then be achieved one year sooner.

CHAPTER 345

An act to amend Sections 10249.1, 10249.2, 10249.3, 11010, and 11011 of, to add Section 10249.4 to, and to repeal Sections 10249.4, 10249.5, 10249.11, 10249.15, 11011.05, 11011.06, 11011.1, 11011.5, 11011.6, 11011.8, 11011.12, 11011.13, 11015, 11016 and 11017 of, the Business and Professions Code, relating to subdivided lands.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 10249.1 of the Business and Professions Code is amended to read:

10249.1. "Subdivision," as used in Section 10249, includes all of the following:

(a) Improved or unimproved land or lands divided or proposed to be divided for the purpose of sale or lease, whether immediate or future, into five or more lots or parcels.

(b) Improved or unimproved land or lands in which, for the purpose of sale or lease, whether immediate or future, five or more undivided interests are created or proposed to be created.

(c) "Subdivision," as defined in Section 11004.5.

SEC. 2. Section 10249.2 of the Business and Professions Code is amended to read:

10249.2. The sale or lease, or the offering for sale or lease, of lots

or parcels in a subdivision situated outside of this state shall be governed by Article 6 (commencing with Section 10237) and of Chapter 1 (commencing with Section 11000) of Part 2, insofar as applicable.

The Real Estate Commissioner may adopt regulations reasonably necessary to enforce this article.

SEC. 3. Section 10249.3 of the Business and Professions Code is amended to read:

10249.3. (a) The Real Estate Commissioner may by regulation prescribe filing fees in connection with applications to the Department of Real Estate pursuant to the provisions of this article which are lower than the maximum fees specified in subdivision (b) if the commissioner determines that the lower fees are sufficient to offset the costs and expenses incurred in the administration of this article. The commissioner shall hold at least one hearing each calendar year to determine if lower fees than those specified in subdivision (b) should be prescribed.

(b) The filing fee for an application for a permit to be issued under authority of this article shall not exceed the following for each subdivision or phase of the subdivision in which interests are to be offered for sale or lease:

(1) An application for an original permit: One thousand six hundred dollars ($1,600) plus ten dollars ($10) for each subdivision interest to be offered.

(2) An application for a renewal permit: Five hundred dollars ($500) plus ten dollars ($10) for each subdivision interest to be offered which was not permitted to be offered under the permit to be renewed.

(3) An application for an amended permit: Three hundred dollars ($300) plus ten dollars ($10) for each subdivision interest to be offered under the amended permit for which a fee has not previously been paid.

(c) All fees collected by the Department of Real Estate under authority of this article shall be deposited into the Real Estate Fund under Chapter 6 (commencing with Section 10450) of Part 1. All fees received by the department pursuant to the provisions of this article shall be deemed earned upon receipt. No part of any fee is refundable unless the commissioner determines that it was paid as a result of mistake or inadvertence.

SEC. 4. Section 10249.4 of the Business and Professions Code is repealed.

SEC. 5. Section 10249.4 is added to the Business and Professions Code, to read:

10249.4. When an inspection is to be made of subdivided lands situated outside of the State of California which are to be offered for sale or lease in this state, the questionnaire shall be accompanied by the filing fee, together with an amount equivalent to twenty-five cents ($0.25) a mile for each mile going and returning, or where public transportation is available the actual round trip fare

pertaining thereto, estimated by the commissioner to be traveled from the office of the Department of Real Estate where the filing is made to the location of the project, and an amount estimated to be necessary to cover the additional expenses of the inspection, not to exceed seventy-five dollars ($75) a day for each day consumed in the examination of the project.

SEC. 6. Section 10249.5 of the Business and Professions Code is repealed.

SEC. 7. Section 10249.11 of the Business and Professions Code is repealed.

SEC. 8. Section 10249.15 of the Business and Professions Code is repealed.

SEC. 9. Section 11010 of the Business and Professions Code is amended to read:

11010. (a) Except as otherwise provided pursuant to subdivision (c) or elsewhere in this chapter, any person who intends to offer subdivided lands within this state for sale or lease shall file with the Department of Real Estate an application for a public report consisting of a notice of intention and a completed questionnaire on a form prepared by the department.

(b) The notice of intention shall contain the following information about the subdivided lands and the proposed offering:

(1) The name and address of the owner.

(2) The name and address of the subdivider.

(3) The legal description and area of lands.

(4) A true statement of the condition of the title to the land, particularly including all encumbrances thereon.

(5) A true statement of the terms and conditions on which it is intended to dispose of the land, together with copies of any contracts intended to be used.

(6) A true statement of the provisions, if any, that have been made for public utilities in the proposed subdivision, including water, electricity, gas, telephone, and sewerage facilities.

(7) A true statement of the use or uses for which the proposed subdivision will be offered.

(8) A true statement of the provisions, if any, limiting the use or occupancy of the parcels in the subdivision.

(9) A true statement of the amount of indebtedness which is a lien upon the subdivision or any part thereof, and which was incurred to pay for the construction of any onsite or offsite improvement, or any community or recreational facility.

(10) A true statement or reasonable estimate, if applicable, of the amount of any indebtedness which has been or is proposed to be incurred by an existing or proposed special district, entity, taxing area or assessment district, within the boundaries of which, the subdivision, or any part thereof, is located, and which is to pay for the construction or installation of any improvement or to furnish community or recreational facilities to such subdivision, and which amounts are to be obtained by ad valorem tax or assessment, or by

a special assessment or tax upon the subdivision, or any part thereof.

(11) The location of all existing airports, and of all proposed airports shown on the general plan of any city or county, located within two statute miles of the subdivision.

(12) A true statement, if applicable, referencing any soils or geologic report or soils and geologic reports that have been prepared specifically for the subdivision.

(13) A true statement of whether or not fill is used, or is proposed to be used in the subdivision and a statement giving the name and the location of the public agency where information concerning soil conditions in the subdivision is available.

(14) Such other information as the owner, his or her agent, or subdivider, may desire to present.

(c) The commissioner may by regulation, or on the basis of the particular circumstances of a proposed offering, waive the requirement of the submission of a completed questionnaire if the commissioner determines that prospective purchasers or lessees of the subdivision interests to be offered will be adequately protected through the issuance of a public report based solely upon information contained in the notice of intention.

SEC. 10. Section 11011 of the Business and Professions Code is amended to read:

11011. (a) The commissioner may by regulation prescribe filing fees in connection with applications to the Department of Real Estate pursuant to the provisions of this chapter which are lower than the maximum fees specified in subdivision (b) if the commissioner determines that the lower fees are sufficient to offset the costs and expenses incurred in the administration of this chapter. The commissioner shall hold at least one hearing each calendar year to determine if lower fees than those specified in subdivision (b) should be prescribed.

(b) The filing fee for an application for a public report to be issued under authority of this chapter shall not exceed the following for each subdivision or phase of a subdivision in which interests are to be offered for sale or lease:

(1) A notice of intention without a completed questionnaire: One hundred fifty dollars ($150).

(2) An original public report for subdivision interests described in Section 11004.5: One thousand six hundred dollars ($1,600) plus ten dollars ($10) for each subdivision interest to be offered.

(3) An original public report for subdivision interests other than those described in Section 11004.5: Five hundred dollars ($500) plus ten dollars ($10) for each subdivision interest to be offered.

(4) A preliminary public report for subdivision interests described in Section 11004.5: Five hundred dollars ($500).

(5) A preliminary public report for subdivision interests other than those described in Section 11004.5: Five hundred dollars ($500).

(6) A renewal public report for subdivision interests described in Section 11004.5: Five hundred dollars ($500).

(7) A renewal public report for subdivision interests other than those described in Section 11004.5: Five hundred dollars ($500).

(8) An amended public report for subdivision interests described in Section 11004.5: Three hundred dollars ($300) plus ten dollars ($10) for each subdivision interest to be offered under the amended public report for which a fee has not previously been paid.

(9) An amended public report to offer subdivision interests other than those described in Section 11004.5: Three hundred dollars ($300) plus ten dollars ($10) for each subdivision interest to be offered under the amended public report for which a fee has not previously been paid.

(c) The actual subdivision fees established by regulation under authority of this section and Section 10249.3 shall not exceed the amount reasonably required by the department to administer the provisions of this part and the provisions of Article 8 (commencing with Section 10249) of Chapter 3 of Part 1.

(d) All fees collected by the department under authority of this chapter shall be deposited into the Real Estate Fund under Chapter 6 (commencing with Section 10450) of Part 1. All fees received by the department pursuant to the provisions of this chapter shall be deemed earned upon receipt. No part of any fee is refundable unless the commissioner determines that it was paid as the result of a mistake or inadvertence.

SEC. 11. Section 11011.05 of the Business and Professions Code is repealed.

SEC. 12. Section 11011.06 of the Business and Professions Code is repealed.

SEC. 13. Section 11011.1 of the Business and Professions Code is repealed.

SEC. 14. Section 11011.5 of the Business and Professions Code is repealed.

SEC. 15. Section 11011.6 of the Business and Professions Code is repealed.

SEC. 16. Section 11011.8 of the Business and Professions Code is repealed.

SEC. 17. Section 11011.12 of the Business and Professions Code is repealed.

SEC. 18. Section 11011.13 of the Business and Professions Code is repealed.

SEC. 19. Section 11015 of the Business and Professions Code is repealed.

SEC. 20. Section 11016 of the Business and Professions Code is repealed.

SEC. 21. Section 11017 of the Business and Professions Code is repealed.

CHAPTER 346

An act to amend Sections 20017.93, 20020, and 20021.5 of, to amend and renumber Sections 20819, 21263.9, and 22201.5 of, to repeal Section 20020.1 of, to repeal and add Section 20182 of, the Government Code, relating to the Public Employees' Retirement System.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 20017.93 of the Government Code is amended to read:

20017.93. "State safety member" also includes members employed in the Department of Parks and Recreation in the following classifications: state park ranger trainee, state park ranger I, state park ranger II, state park ranger III, state park ranger IV, and state park technician.

"State safety member" also includes members employed in the Military Department in the following classifications: firefighter guard, supervising firefighter guard, and chief firefighter guard.

Any person employed in the above classification in the department may elect, within 90 days of the operative date of this section to remain subject to the miscellaneous retirement benefit by filing an irrevocable notice of election with the board.

"State safety service," with respect to a member who becomes a state safety member pursuant to this section, shall also include service with the specified departments prior to April 1, 1982.

This section shall not become applicable to any member included in a classification until a ruling or regulation authorizing the inclusion of persons employed in that classification within the definition of "policeman" or "fireman" is issued by the federal agency for purposes of Section 218(d)(5)(A) of the Social Security Act (42 U.S.C. Sec. 418(d)(5)(A)).

SEC. 2. Section 20020 of the Government Code is amended to read:

20020. "Local policeman" means any officer or employee of a police department of a contracting agency which is a city, except one whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise and whose functions do not clearly fall within the scope of active law enforcement service even though the employee is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active law enforcement service, but not excepting persons employed and qualifying as patrolmen or equal or higher rank irrespective of the duties to which they are assigned.

"Local policeman" does not include persons employed to perform

identification or communication duties, other than persons in such employment on August 4, 1972, who elected within 90 days thereafter to be local safety members. A contracting agency may elect by amendment to its contract to include as "local policeman" all persons who were employed to perform identification or communication duties on August 4, 1972, and who elect within 60 days of the effective date of the contract amendment to be local safety members. The election shall apply to the person's past as well as future service in the employment held on the effective date but shall not apply to service following any subsequent acceptance of appointment to a position other than that held on the effective date. This paragraph shall not apply to persons employed and qualified as patrolmen or equal or higher rank.

SEC. 3. Section 20020.1 of the Government Code is repealed.

SEC. 4. Section 20021.5 of the Government Code is amended to read:

20021.5. "County peace officer" means the sheriff and any officer or employee of a sheriff's office of a contracting agency, except one whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise, and whose functions do not clearly come within the scope of active law enforcement service even though the employee is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active law enforcement service, but not excepting persons employed and qualifying as deputy sheriffs or equal or higher rank irrespective of the duties to which they are assigned. Any other provision in this part to the contrary notwithstanding, "county peace officers" shall also include and mean any inspector, investigator, detective, or person with a comparable title, in any district attorney's office of a contracting agency whose principal duties are to investigate crime and criminal cases and who receives compensation for this service.

"County peace officer" does not include persons employed to perform identification or communication duties other than persons in such employment on August 4, 1972, who elected within 90 days thereafter to be local safety members. A contracting agency may elect by amendment to its contract to include as "county peace officer" all persons who were employed to perform identification or communication duties on August 4, 1972, and who elect within 60 days of the effective date of the contract amendment to be local safety members. The election shall apply to the person's past as well as future service in the employment held on the effective date but shall not apply to service following any subsequent acceptance of appointment to a position other than that held on the effective date. This paragraph shall not apply to persons employed and qualified as deputy sheriffs or equal or higher rank.

SEC. 5. Section 20182 of the Government Code is repealed.

SEC. 6. Section 20182 is added to the Government Code, to read:

20182. All computations, payments, and other acts heretofore

made or done by the board or its officers and employees are hereby ratified, confirmed, and validated.

SEC. 7. Section 20819 of the Government Code, as added by Chapter 327 of the Statutes of 1982, is amended and renumbered to read:

20820. (a) The governing body of a contracting agency may establish a two-tiered retirement system developed by the board pursuant to subdivision (b).

(b) The board shall develop a two-tiered retirement system plan for contracting agencies by January 1, 1983.

(c) It is the intent of the Legislature to make a two-tiered retirement system a matter for bargaining pursuant to provisions of law relating to employer-employee relations.

SEC. 8. Section 21263.9 of the Government Code is amended and renumbered to read:

21372. For the purpose of Sections 21364, 21365.5, 21365.6 and Article 6 (commencing with Section 21380):

(a) Any surviving spouse receiving an allowance thereunder on January 1, 1983, may irrevocably elect between March 1, 1983, and June 1, 1983, to receive a reduced lifetime allowance which is the actuarial equivalent of the allowance otherwise payable.

(b) Any surviving spouse of a member whose death occurs on or after January 1, 1983, may irrevocably elect within 10 months of the death of the member to receive a reduced lifetime allowance which is the actuarial equivalent of the benefit otherwise payable.

SEC. 9. Section 22201.5 of the Government Code is amended and renumbered to read:

22216. The board shall, upon application of a public agency and its agreement to accept liability for all contributions for which the state may become liable as a result, enter into an agreement with the federal agency to extend the period of limitation on assessment by the federal agency for such period and with respect to such employees as may be agreed upon in accordance with applicable provisions of the Social Security Act and federal regulations.

CHAPTER 347

An act relating to air transportation.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Those allocations totalling fifteen thousand thirty-eight dollars ($15,038) from the Aeronautics Account in the State Transportation Fund by the Department of Transportation to the County of Trinity and expended by the county for airport

purposes at Hayfork, Hyampom, Ruth, and Trinity Center Airports during the 1974–75 to 1981–82, inclusive, fiscal years are hereby ratified, validated, confirmed, and declared legally effective for all purposes.

SEC. 2. The Legislature finds and declares that Section 1 of this act is necessary since special facts and circumstances applicable to the County of Trinity, and not generally applicable, make the accomplishment of this purpose impossible by any general law. There exists a dispute as to the validity of allocations made by the Department of Transportation to the County of Trinity from the Aeronautics Account in the State Transportation Fund for airport purposes based on a good faith expenditure of these funds. The Legislature further finds and declares that these are the only such expenditures of funds involved, that the purpose of this act is impossible to accomplish by any general law, and that a special statute within the meaning of Section 16 of Article IV of the California Constitution applicable only to the County of Trinity is therefore necessary.

CHAPTER 348

An act to amend Section 25000.5 of the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 25000.5 of the Business and Professions Code is amended to read:

25000.5. (a) Every beer manufacturer, whether located within or without the state, who sells and distributes beer in this state shall designate territorial limits in the state within which the brands of beer manufactured by him may be sold by wholesalers of beer to customers.

(b) A wholesaler of beer shall not sell any brand of beer unless the following conditions are met:

(1) The wholesaler has first entered into a written agreement, with the manufacturer of that brand, which sets forth the territorial limits within which the brand shall be distributed by the wholesaler.

(2) A copy of the agreement, and any amendments thereto, has been filed with the department.

CHAPTER 349

An act to amend Section 26642 of the Government Code, relating to prisoner's property.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 26642 of the Government Code is amended to read:

26642. The sheriff shall pay into the general fund for the use and benefit of the county any money of a prisoner or the proceeds of the sale of his or her valuables remaining unclaimed for a period of one year after his or her release, or five years after his or her death, or 120 days after a notice has been sent to his or her last known address or, in the event of his or her death, one year after a notice has been sent to his or her last known next of kin.

CHAPTER 350

An act to amend Sections 638, 643, 644, and 645 of the Code of Civil Procedure, relating to civil procedure.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 638 of the Code of Civil Procedure is amended to read:

638. A reference may be ordered upon the agreement of the parties filed with the clerk, or judge, or entered in the minutes or in the docket, or upon the motion of a party to a written contract or lease which provides that any controversy arising therefrom shall be heard by a reference if the court finds a reference agreement exists between the parties:

1. To try any or all of the issues in an action or proceeding, whether of fact or of law, and to report a statement of decision thereon;

2. To ascertain a fact necessary to enable the court to determine an action or proceeding.

SEC. 2. Section 643 of the Code of Civil Procedure is amended to read:

643. The referees or commissioner must report their statement of decision in writing to the court within 20 days after the testimony is closed.

SEC. 3. Section 644 of the Code of Civil Procedure is amended to read:

644. The decision of the referee or commissioner upon the whole issue must stand as the decision of the court, and upon filing of the statement of decision with the clerk of the court, or with the judge where there is no clerk, judgment may be entered thereon in the same manner as if the action had been tried by the court.

SEC. 4. Section 645 of the Code of Civil Procedure is amended to read:

645. The decision of the referee or commissioner may be excepted to and reviewed in like manner as if made by the court. When the reference is to report the facts, the decision reported has the effect of a special verdict.

CHAPTER 351

An act to amend Sections 12027 and 12031 of the Penal Code, relating to firearms.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 12027 of the Penal Code is amended to read:

12027. Section 12025 does not apply to or affect any of the following:

(a) Peace officers listed in Section 830.1 or 830.2 whether active or honorably retired, other duly appointed peace officers, full-time paid peace officers of other states and the federal government who are carrying out official duties while in California, or any person summoned by any such officers to assist in making arrests or preserving the peace while he is actually engaged in assisting such officer.

The agency from which a peace officer is honorably retired may, upon initial retirement of the peace officer, or at anytime subsequent thereto, deny or revoke, for good cause, the retired officer's privilege to carry a weapon as provided in this subdivision.

A retired peace officer who retired after January 1, 1981, shall petition the issuing agency for renewal of his or her privilege to carry a concealed firearm every five years. Any peace officer who has been honorably retired shall be issued an identification certificate, which shall give the retired officer the privilege to carry a weapon pursuant to this subdivision when the issuing agency has endorsed the certificate indicating that the privilege exists. Where the officer retired after January 1, 1981, the endorsement shall specify the date when the endorsement is to be renewed again. A retired peace officer shall have no privilege to carry a weapon pursuant to this

subdivision in the absence of the endorsement.

(b) The possession or transportation by any merchant of unloaded firearms as merchandise.

(c) Members of the Army, Navy, or Marine Corps of the United States, or the National Guard, when on duty, or organizations which are by law authorized to purchase or receive such weapons from the United States or this state.

(d) Duly authorized military or civil organizations while parading, or the members thereof when going to and from the places of meeting of their respective organizations.

(e) Guards or messengers of common carriers, banks, and other financial institutions while actually employed in and about the shipment, transportation, or delivery of any money, treasure, bullion, bonds, or other thing of value within this state.

(f) Members of any club or organization organized for the purpose of practicing shooting at targets upon established target ranges, whether public or private, while such members are using any of the firearms referred to in this chapter upon such target ranges, or while going to and from such ranges.

(g) Licensed hunters or fishermen while engaged in hunting or fishing, or while going to or returning from such hunting or fishing expedition.

(h) Members of any club or organization organized for the purpose of collecting and displaying antique or historical pistols, revolvers or other firearms, while such members are displaying such weapons at meetings of such clubs or organizations or while going to and from such meetings, or individuals who collect such firearms not designed to fire, or incapable of firing fixed cartridges or fixed shot shells, or other firearms of obsolete ignition type for which ammunition is not readily available and which are generally recognized as collector's items, provided such firearm is kept in the trunk. If the vehicle is not equipped with a trunk, such firearm shall be kept in a locked container in an area of the vehicle other than the utility or glove compartment.

SEC. 2. Section 12031 of the Penal Code is amended to read:

12031. (a) Except as provided in subdivision (b), (c), or (d), every person who carries a loaded firearm on his or her person or in a vehicle while in any public place or on any public street in an incorporated city or in any public place or on any public street in a prohibited area of unincorporated territory is guilty of a misdemeanor.

Every person convicted under this section who has previously been convicted of an offense enumerated in Section 12001.6, or of any crime made punishable under this chapter, shall serve a term of at least three months in the county jail, or, if granted probation, or if the execution or imposition of sentence is suspended, it shall be a condition thereof that he or she be imprisoned for a period of at least three months.

The court shall apply the three-month minimum sentence except

in unusual cases where the interests of justice would best be served by granting probation or suspending the imposition or execution of sentence without the minimum imprisonment required in this subdivision or by granting probation or suspending the imposition or execution of sentence with conditions other than those set forth in this subdivision, in which case, the court shall specify on the record and shall enter on the minutes the circumstances indicating that the interests of justice would best be served by such a disposition.

(b) Subdivision (a) shall not apply to any of the following:

(1) Peace officers listed in Section 830.1 or 830.2, whether active or honorably retired, other duly appointed peace officers, full-time paid peace officers of other states and the federal government who are carrying out official duties while in California, or any person summoned by any such officers to assist in making arrests or preserving the peace while the person is actually engaged in assisting such officer.

The agency from which a peace officer is honorably retired may, upon initial retirement of the peace officer, or at any time subsequent thereto, deny or revoke, for good cause, the retired officer's privilege to carry a weapon as provided in this paragraph. A retired peace officer shall petition the issuing agency for renewal of his or her privilege to carry a loaded firearm in public every five years. Any peace officer who has been honorably retired shall be issued an identification certificate, which shall give the retired officer the privilege to carry a weapon pursuant to this subdivision when the issuing agency has endorsed the certificate indicating that the privilege exists. The endorsement shall specify the date when the endorsement is to be renewed again. A retired peace officer shall have no privilege to carry a weapon pursuant to this subdivision in the absence of the endorsement.

(2) Members of the military forces of this state or of the United States engaged in the performance of their duties.

(3) Persons who are using target ranges for the purpose of practice shooting with a firearm or who are members of shooting clubs while hunting on the premises of such clubs.

(4) The carrying of concealable weapons by persons who are authorized to carry such weapons pursuant to Article 3 (commencing with Section 12050) of Chapter 1 of Title 2 of Part 4.

(5) Armored vehicle guards, as defined in Section 7521 of the Business and Professions Code, (A) if hired prior to January 1, 1977; or (B) if hired on or after such date, if they have received a Firearms Qualification Card from the Department of Consumer Affairs, in each case while acting within the course and scope of their employment.

(c) Subdivision (a) shall not apply to any of the following who have completed a regular course in firearms training approved by the Commission on Peace Officer Standards and Training:

(1) Patrol special police officers appointed by the police commission of any city, county, or city and county under the express

terms of its charter who also under the express terms of the charter (i) are subject to suspension or dismissal after a hearing on charges duly filed with the commission after a fair and impartial trial, (ii) must be not less than 18 years of age nor more than 40 years of age, (iii) must possess physical qualifications prescribed by the commission, and (iv) are designated by the police commission as the owners of a certain beat or territory as may be fixed from time to time by the police commission.

(2) The carrying of weapons by animal control officers or zookeepers, regularly compensated as such by a governmental agency when acting in the course and scope of their employment and when designated by a local ordinance or, if the governmental agency is not authorized to act by ordinance, by a resolution, either individually or by class, to carry such weapons, or by persons who are authorized to carry such weapons pursuant to Section 607f of the Civil Code, while actually engaged in the performance of their duties pursuant to that section.

(3) Harbor policemen designated pursuant to Section 663.5 of the Harbors and Navigation Code.

(d) Subdivision (a) shall not apply to any of the following who have been issued a certificate pursuant to Section 12033. Such certificate shall not be required of any person who is a peace officer, who has completed all training required by law for the exercise of his or her power as a peace officer, and who is employed while not on duty as such peace officer.

(1) Guards or messengers of common carriers, banks, and other financial institutions while actually employed in and about the shipment, transportation, or delivery of any money, treasure, bullion, bonds, or other thing of value within this state.

(2) Guards of contract carriers operating armored vehicles pursuant to California Highway Patrol and Public Utilities Commission authority (i) if hired prior to January 1, 1977; or (ii) if hired on or after January 1, 1977, if they have completed a course in the carrying and use of firearms which meets the standards prescribed by the Department of Consumer Affairs.

(3) Private investigators and private patrol operators who are licensed pursuant to Chapter 11.5 (commencing with Section 7512) of, and alarm company operators who are licensed pursuant to Chapter 11.6 (commencing with Section 7590) of, Division 3 of the Business and Professions Code, while acting within the course and scope of their employment.

(4) Uniformed security guards or night watchmen employed by any public agency, while acting within the scope and in the course of their employment.

(5) Uniformed security guards, regularly employed and compensated as such by persons engaged in any lawful business, and uniformed alarm agents employed by an alarm company operator, while actually engaged in protecting and preserving the property of their employers or on duty or en route to or from their residence or

their place of employment. Security guards and alarm agents en route to or from their residence or employer-required range training. Nothing in this paragraph shall be construed to prohibit cities and counties from enacting ordinances requiring alarm agents to register their name.

(6) Uniformed employees of private patrol operators and private investigators licensed pursuant to Chapter 11.5 (commencing with Section 7512) of Division 3 of the Business and Professions Code while acting within the course and scope of their employment as private patrolmen or private investigators.

(e) In order to determine whether or not a firearm is loaded for the purpose of enforcing this section, peace officers are authorized to examine any firearm carried by anyone on his or her person or in a vehicle while in any public place or on any public street in an incorporated city or prohibited area of an unincorporated territory. Refusal to allow a peace officer to inspect a firearm pursuant to the provisions of this section constitutes probable cause for arrest for violation of this section.

(f) As used in this section "prohibited area" means any place where it is unlawful to discharge a weapon.

(g) A firearm shall be deemed to be loaded for the purposes of this section when there is an unexpended cartridge or shell, consisting of a case which holds a charge of powder and a bullet or shot, in, or attached in any manner to, the firearm, including, but not limited to, in the firing chamber, magazine, or clip thereof attached to the firearm; except that a muzzle-loader firearm shall be deemed to be loaded when it is capped or primed and has a powder charge and ball or shot in the barrel or cylinder.

(h) Nothing in this section shall prevent any person engaged in any lawful business, including a nonprofit organization, or any officer, employee, or agent authorized by such person for lawful purposes connected with such business, from having a loaded firearm within such person's place of business, or any person in lawful possession of private property from having a loaded firearm on such property.

(i) Nothing in this section shall prevent any person from carrying a loaded firearm in an area within an incorporated city while engaged in hunting, during such time and in such area as the hunting is not prohibited by the city council.

(j) Nothing in this section is intended to preclude the carrying of any loaded firearm, under circumstances where it would otherwise be lawful, by a person who reasonably believes that the person or property of himself or herself or of another is in immediate, grave danger and that the carrying of such weapon is necessary for the preservation of such person or property. As used in this subdivision "immediate" means the brief interval before and after the local law enforcement agency, when reasonably possible, has been notified of the danger and before the arrival of its assistance.

(k) Nothing in this section is intended to preclude the carrying of

a loaded firearm by any person while engaged in the act of making or attempting to make a lawful arrest.

(*l*) Nothing in this section shall prevent any person from having a loaded weapon, if it is otherwise lawful, at his or her place of residence, including any temporary residence or campsite.

CHAPTER 352

An act to amend Sections 415.50 and 1005 of the Code of Civil Procedure, relating to service of process.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 415.50 of the Code of Civil Procedure is amended to read:

415.50. (a) A summons may be served by publication if upon affidavit it appears to the satisfaction of the court in which the action is pending that the party to be served cannot with reasonable diligence be served in another manner specified in this article and that:

(1) A cause of action exists against the party upon whom service is to be made or he or she is a necessary or proper party to the action; or

(2) The party to be served has or claims an interest in real or personal property in this state that is subject to the jurisdiction of the court or the relief demanded in the action consists wholly or in part in excluding the party from any interest in the property.

(b) The court shall order the summons to be published in a named newspaper, published in this state, that is most likely to give actual notice to the party to be served and direct that a copy of the summons, the complaint, and the order for publication be forthwith mailed to the party if his or her address is ascertained before expiration of the time prescribed for publication of the summons. Except as otherwise provided by statute, the publication shall be made as provided by Section 6064 of the Government Code unless the court, in its discretion, orders publication for a longer period.

(c) Service of a summons in this manner is deemed complete as provided in Section 6064 of the Government Code.

(d) Notwithstanding an order for publication of the summons, a summons may be served in another manner authorized by this chapter, in which event the service shall supersede any published summons.

SEC. 2. Section 1005 of the Code of Civil Procedure is amended to read:

1005. When a written notice of a motion is necessary, it shall be

given at least 15 days before the time appointed for the hearing and shall be accompanied by all supporting points and authorities, declarations, and other supporting materials; provided that if the notice is served by mail, the required 15-day period of notice before the time appointed for the hearing shall be increased by five days if the place of mailing and the place of address are within the State of California, 10 days if either the place of mailing or the place of address is outside the State of California but within the United States, and 20 days if either the place of mailing or the place of address is outside the United States. The provisions of subdivision (a) of Section 1013, extending the time within which a right may be exercised or an act may be done, do not apply to a notice of motion governed by this section. All papers opposing a motion so noticed shall be filed with the court and served on each party at least five days before the time appointed for the hearing.

The court, or a judge thereof, may prescribe a shorter time.

CHAPTER 353

An act to add Section 20229.1 to the Public Contract Code, relating to the San Francisco Bay Area Rapid Transit District.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 20229.1 is added to the Public Contract Code, to read:

20229.1. (a) Notwithstanding any other provision of law, the governing board of the San Francisco Bay Area Rapid Transit District may direct the purchase of electronic data-processing or telecommunications equipment by competitive negotiation upon a finding by two-thirds of all members of the board that the purchase of electronic data-processing or telecommunications equipment in compliance with provisions of this code generally applicable to the purchase does not constitute a method of procurement adequate for the district's needs.

(b) Competitive negotiation, for the purposes of this section, shall include, as a minimum, all of the following elements:

(1) A request for proposal shall be prepared and submitted to an adequate number of qualified sources, as determined by the district in its discretion, to permit reasonable competition consistent with the nature and requirements of the procurement. In addition, notice of the request for proposal shall be published at least once in a newspaper of general circulation, which publication shall be made at least 10 days before the proposals are received.

(2) The request for proposal shall identify significant evaluation

factors, including price, and their relative importance.

(3) The district shall provide reasonable procedures for technical evaluation of the proposals received, identification of qualified sources, and selection for contract award.

(4) Award shall be made to the qualified bidder whose proposal will be most advantageous to the district with price and other factors considered.

(c) The board may reject any and all proposals and request new proposals at its discretion.

(d) A person who submits a proposal may protest any acquisition conducted in accordance with this section. The protestor, within 10 calendar days after receiving notice of the recommended award, shall file with the district a full and complete written statement specifying in detail the grounds of the protest and the facts supporting the protest. Protestors shall have an opportunity to appear and be heard before the board prior to the final award. The board decision on the protest shall be final.

(e) Where the district, through competitive negotiation, has entered into lease agreements for electronic data-processing or telecommunications equipment subsequent to December 1, 1980, the district may purchase the equipment directly from the lessor upon a finding by two-thirds of all members of the board that the purchase of electronic data-processing or telecommunications equipment in compliance with provisions of this code generally applicable to the purchase does not constitute a method of procurement adequate for the district's needs.

CHAPTER 354

An act to amend Section 425.12 of the Code of Civil Procedure, relating to courts.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 425.12 of the Code of Civil Procedure is amended to read:

425.12. The Judicial Council shall develop and approve official forms for use in trial courts of this state for any complaint, cross-complaint or answer in any action based upon personal injury, property damage, wrongful death, unlawful detainer, breach of contract or fraud.

In developing the forms required by this act, the Judicial Council shall consult with a representative advisory committee which shall include, but not be limited to, representatives of the plaintiff's bar, the defense bar, the public interest bar, court administrators and the

public. The forms shall be drafted in nontechnical language and shall be made available through the office of the clerk of the appropriate trial court.

CHAPTER 355

An act to amend Section 128.5 of the Code of Civil Procedure, relating to judicial arbitration.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 128.5 of the Code of Civil Procedure is amended to read:

128.5. (a) Every trial court shall have the power to order a party or the party's attorney, or both, to pay any reasonable expenses, including attorney's fees, incurred by another party as a result of tactics or actions not based on good faith which are frivolous or which cause unnecessary delay. Frivolous actions or delaying tactics include, but are not limited to, making or opposing motions without good faith. This section also applies to judicial arbitration proceedings under Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3.

(b) Expenses pursuant to this section shall not be imposed except on notice contained in a party's moving or responding papers; or the court's own motion, after notice and opportunity to be heard. An order imposing expenses shall be in writing and shall recite in detail the conduct or circumstances justifying the order.

CHAPTER 356

An act to amend and repeal Section 1900 of the Financial Code, relating to financial institutions.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 1900 of the Financial Code, as amended by Section 18 of Chapter 67 of the Statutes of 1981, is amended to read:

1900. The superintendent shall cause every bank, every trust company, the trust department of every title insurance company doing a trust business, and the business in this state of every foreign bank licensed under Article 3 (commencing with Section 1750) of

Chapter 13.5 to be examined to the extent and whenever and as often as he shall deem it advisable, but in no case less than once every two calendar years. The superintendent may at any time examine a representative office of a foreign bank licensed under Article 2 (commencing with Section 1725) of Chapter 13.5. The officers and employees of every bank, trust company, title company's trust department, and foreign bank being examined shall exhibit to the examiners, on request, any or all of its securities, books, records, and accounts and shall otherwise facilitate the examination so far as it may be in their power.

SEC. 2. Section 1900 of the Financial Code, as amended by Section 19 of Chapter 67 of the Statutes of 1981, is repealed.

CHAPTER 357

An act to amend Section 23106 of the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 23106 of the Business and Professions Code is amended to read:

23106. (a) Wine stored in a winery or wine cellar bonded under the internal revenue laws of the United States and brandy in bulk stored in an internal revenue bonded warehouse may be stored by or for any licensee without the necessity of any license by the person furnishing or providing the storage space.

(b) Beer and wine upon which excise taxes have been paid to the state at the rate fixed under Part 14 of Division 2 of the Revenue and Taxation Code may be stored by or for any licensee in any private or public warehouse or elsewhere in this state without the necessity of any license by the person furnishing or providing the storage space or any special additional license by the licensee.

(c) Any other alcoholic beverage may, without the necessity of any additional license, be stored by or for a licensee in private warehouses approved by the department, if within the limits of the county in which the licensee's licensed premises are located, or in a public warehouse within that county, or may be stored in bond in a public warehouse outside that county if the public warehouse is also a United States customs bonded warehouse, a United States internal revenue bonded warehouse, or a United States bonded wine cellar. An application for the approval of a private warehouse shall be accompanied by a fee of fifty dollars ($50).

CHAPTER 358

An act to amend Section 11791 of the Government Code, relating to electronic data-processing systems.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 11791 of the Government Code is amended to read:

11791. The provisions of this chapter shall not apply to the University of California, the California State University, the State Compensation Insurance Fund, the community college districts, agencies provided for by Article VI of the Constitution, or the Legislature.

CHAPTER 359

An act to amend Section 4370 of the Civil Code, relating to family law.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 4370 of the Civil Code is amended to read:

4370. (a) During the pendency of any proceeding under this part, the court may order any party, except a governmental entity, to pay such amount as may be reasonably necessary for the cost of maintaining or defending the proceeding and for attorneys' fees; and from time to time and before entry of judgment, the court may augment or modify the original award for costs and attorneys' fees as may be reasonably necessary for the prosecution or defense of the proceeding or any proceeding related thereto, including after any appeal has been concluded. In respect to services rendered or costs incurred after the entry of judgment, the court may award such costs and attorneys' fees as may be reasonably necessary to maintain or defend any subsequent proceeding, and may augment or modify any award so made, including after any appeal has been concluded. Attorneys' fees and costs within the provisions of this subdivision may be awarded for legal services rendered or costs incurred prior, as well as subsequent, to the commencement of the proceeding. Any order for a party who is not the husband or wife of another party to the proceedings to pay attorneys' fees or costs shall be limited to an amount reasonably necessary to maintain or defend the action on the

issues relating to that party.

(b) During the pendency of any proceeding under this part, an application for a temporary order making, augmenting, or modifying an award of attorneys' fees or costs or both shall be made by motion on notice or by an order to show cause, except that it may be made without notice by an oral motion in open court in either of the following cases:

(1) At the time of the hearing of the cause on the merits.

(2) At any time prior to entry of judgment against a party whose default has been entered pursuant to Section 585 or 586 of the Code of Civil Procedure.

(c) Notwithstanding any other provision of law, absent good cause to the contrary, the court, upon determining an ability to pay, shall award reasonable attorneys' fees to a custodial parent in any action to enforce an existing order for child support.

(d) Notwithstanding any other provision of law, absent good cause to the contrary, the court, upon determining an ability to pay, shall award reasonable attorneys' fees to a supported spouse in any action to enforce an existing order for spousal support.

CHAPTER 360

An act to amend Section 751.3 of the Financial Code, relating to banks, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 751.3 of the Financial Code is amended to read:

751.3. (a) The Legislature finds and declares:

(1) That it is necessary to increase job opportunities in real estate development and construction and to provide additional housing and commercial facilities in this state.

(2) That within the commercial banking community there exists the expertise and ability to promote and assist in expansion of real estate development projects in this state.

(3) That it is proper and appropriate to utilize that expertise and ability by authorizing commercial banks to engage in real estate development and management on an entrepreneurial basis.

(b) As used in this section, "real property investment" means all forms of investing in real property, whether direct or in the form of partnerships, joint ventures, or other methods of investment. It includes, but is not limited to, the purchasing, subdividing, and developing of real property or any interest therein, the building of residential housing or commercial improvements, and the owning,

renting, leasing, managing, operating for income, or selling of that property.

(c) Notwithstanding Section 1335, a commercial bank may acquire and hold stock of one or more corporations the primary activities of which are engaging in real property investment, in which event the sum of (1) investments made by a commercial bank pursuant to the authority of this subdivision, (2) any loans and guarantees extended by a commercial bank to, or for the benefit of, corporations whose stock it holds pursuant to the authority of this subdivision, and (3) real property investments made pursuant to the authority of subdivision (d), unless a higher percentage is approved by the superintendent in writing, shall not exceed 10 percent of the total assets of the bank.

(d) A commercial bank may engage in real property investment. The total of all real property investments made pursuant to the authority of this subdivision, unless a higher percentage is approved by the superintendent in writing, shall not exceed the total shareholders' equity of the bank.

(e) Prior to initially engaging in real property investment activities authorized by this section, a commercial bank shall make application with the superintendent for approval of its general plan of real property investment. The application for approval shall be in letter form, shall contain a copy of the general plan for real property investment as approved or adopted by the board of directors of the bank, which shall include a brief description of either the activities of the corporations the bank will invest in or the activities the bank will engage in, or both, the approximate amount to be invested, the extent, if any, of diversification of those activities or investment, and the approximate date of the initial investment, and shall be signed by the chief executive officer of the bank. Unless the superintendent finds (1) that the capital, assets, management, earnings, and liquidity of the commercial bank are, on a composite basis, not satisfactory, or (2) that the plan for the commercial bank to engage in real property investment or to acquire and hold the stock of one or more real property investment corporations is unsafe or unsound, the superintendent shall approve the application. An application for approval shall be deemed approved on the 46th day after the application is filed with the superintendent, unless the superintendent earlier makes a final decision on the application or extends the period for approving or denying the application. For purposes of this subdivision, an application for approval shall be deemed to be filed with the superintendent on the date when the application, substantially in compliance with the requirements of this subdivision, is received by the superintendent. Upon the filing of the application for approval, the applicant shall pay to the superintendent a filing fee of five hundred dollars ($500).

(f) The legality of any investment lawfully made pursuant to this section as it read prior to the amendment of this section shall not be affected by the existing form of this section, nor shall this section be

construed to require the changing of any investments heretofore lawfully made.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The activities specified in Section 751.3 of the Financial Code, as proposed by this bill, are not, under current regulations of the Federal Reserve Board, permissible to nonbank subsidiaries of bank holding companies under Section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. Sec. 1841 et seq.). However, if permissible under state law, the activities of state-chartered banks owned by bank holding companies are not in any manner restricted by federal law or regulation. Currently there are 263 state-chartered banks in California and 100 of them are owned by bank holding companies. In order to vindicate the federal policy with respect to nonbank activities and yet grant parity to the 100 state-chartered banks that are owned by bank holding companies to implement the activities specified in Section 751.3, it is necessary that this act take effect immediately.

CHAPTER 361

An act to add and repeal Sections 22726, 44929, and 87488 of the Education Code, relating to the State Teachers' Retirement System.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 22726 is added to the Education Code, to read:

22726. Whenever the governing board of a school district or a community college district or a county superintendent of schools, by formal action, determines pursuant to Section 44929 or 87488 that because of impending curtailment of or changes in the manner of performing services, the best interests of the district or county superintendent of schools would be served by encouraging the retirement of certificated employees and that the retirement will either: (1) result in a net savings to the district or county superintendent of schools, or (2) result in a reduction of the number of certificated employees as a result of declining enrollment, or (3) result in the retention of certificated employees who are credentialed to teach in teacher shortage disciplines, including, but not limited to, mathematics and science, an additional two years of service shall be credited to a member if all of the following conditions exist:

(a) The member is credited with five or more years of service and retires during a period not more than 120 days or less than 60 days, commencing no sooner than the effective date of the formal action of the employer which shall specify the period.

(b) The employer transmits to the retirement fund an amount determined by the Teachers' Retirement Board which equals the actuarial equivalent of the difference between the allowance the member receives after receipt of service credit under this section and the amount the member would have received without the service credit. The transfer to the retirement fund shall be made in a manner and time period acceptable to the Teachers' Retirement Board.

(c) The employer transmits to the retirement fund the administrative costs incurred by the system in implementing this section, as determined by the Teachers' Retirement Board.

(d) The Chancellor of the California Community Colleges, as to a community college district, and the Superintendent of Public Instruction, as to a school district or county superintendent of schools, has certified, prior to the formal action becoming effective in the district or the office of the county superintendent of schools, that the net effect of the formal action will result in no costs to the State Teachers' Retirement System, the district, or the county superintendent of schools.

The amount of service credit shall be two years regardless of credited service, but shall not exceed the elapsed period of time intervening between the date of the member's retirement and the date the member attains normal retirement age as determined by the Teachers' Retirement Board. The employer shall make the payment with respect to all eligible employees who retired pursuant to this section.

Any member who qualifies under this section and subsequently reenters the system, shall forfeit the service credit acquired under this section.

This section shall not be applicable to any member otherwise eligible if the member receives any unemployment insurance payments arising out of employment with an employer subject to this part during a period extending one year beyond the effective date of the formal action, or if the member is not otherwise eligible to retire for service.

This section shall become inoperative on July 1, 1987, and, as of January 1, 1988, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1988, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 2. Section 44929 is added to the Education Code, to read:

44929. Whenever the governing board of a school district or a county superintendent of schools, by formal action, determines that because of impending curtailment of or changes in the manner of performing services, the best interests of the district or county superintendent of schools would be served by encouraging the

retirement of certificated employees and that the retirement will either: (1) result in a net savings to the district or county superintendent of schools, or (2) result in a reduction of the number of certificated employees as a result of declining enrollment, or (3) result in the retention of certificated employees who are credentialed to teach in teacher shortage disciplines, including, but not limited to, mathematics and science, an additional two years of service shall be credited under the State Teachers' Retirement System to a certificated employee pursuant to Section 22726 if all of the following conditions exist:

(a) The employee is credited with five or more years of service under the State Teachers' Retirement System and retires during a period not more than 120 days or less than 60 days, commencing no sooner than the effective date of the formal action of the district or county superintendent of schools which shall specify the period.

(b) The district or county superintendent of schools transmits to the retirement fund an amount determined by the Teachers' Retirement Board which equals the actuarial equivalent of the difference between the allowance the member receives after the receipt of service credit under this section and Section 22726 and the amount the member would have received without the service credit. The transfer to the retirement fund shall be made in a manner and time period acceptable to the Teachers' Retirement Board.

(c) The district or county superintendent of schools transmits to the retirement fund the administrative costs incurred by the State Teachers' Retirement System in implementing this section, as determined by the Teachers' Retirement Board.

(d) The Superintendent of Public Instruction has certified, prior to the formal action becoming effective in a school district or the office of the county superintendent of schools, that the net effect of the formal action will result in no costs to the State Teachers' Retirement System, the school district, or the county superintendent of schools.

The amount of service credit shall be two years regardless of credited service, but shall not exceed the elapsed period of time intervening between the date of the member's retirement and the date the member attains normal retirement age as determined by the Teachers' Retirement Board. The school district or county superintendent of schools shall make the payment with respect to all eligible employees who retired pursuant to this section and Section 22726.

Any employee who qualifies under this section and Section 22726 and subsequently reenters the State Teachers' Retirement System, shall forfeit the service credit acquired under this section and Section 22726.

This section shall not be applicable to any employee otherwise eligible if the employee receives any unemployment insurance payments arising out of employment with an employer subject to Part 13 (commencing with Section 22000) of Title 1 during a period

extending one year beyond the effective date of the formal action, or if the employee is not otherwise eligible to retire for service under the State Teachers' Retirement System.

This section shall become inoperative on July 1, 1987, and, as of January 1, 1988, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1988, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 3. Section 87488 is added to the Education Code, to read:

87488. Whenever the governing board of a community college district, by formal action, determines that because of impending curtailment of or changes in the manner of performing services, the best interests of the district would be served by encouraging the retirement of certificated employees and that the retirement will either: (1) result in a net savings to the district, or (2) result in a reduction of the number of certificated employees as a result of declining enrollment, or (3) result in the retention of certificated employees who are credentialed to teach in teacher shortage disciplines, including, but not limited to, mathematics and science, an additional two years of service shall be credited under the State Teachers' Retirement System to a certificated employee pursuant to Section 22726 if all of the following conditions exist:

(a) The employee is credited with five or more years of service under the State Teachers' Retirement System and retires during a period not more than 120 days or less than 60 days, commencing no sooner than the effective date of the formal action of the district which shall specify the period.

(b) The governing board transmits to the retirement fund an amount determined by the Teachers' Retirement Board which equals the actuarial equivalent of the difference between the allowance the member receives after the receipt of service credit under this section and Section 22726 and the amount the member would have received without the service credit. The transfer to the retirement fund shall be made in a manner and time period acceptable to the Teachers' Retirement Board.

(c) The governing board transmits to the retirement fund the administrative costs incurred by the State Teachers' Retirement System in implementing this section, as determined by the Teachers' Retirement Board.

(d) The chancellor has certified, prior to the formal action becoming effective in a community college district, that the net effect of the formal action will result in no costs to the State Teachers' Retirement System or the district.

The amount of service credit shall be two years regardless of credited service, but shall not exceed the elapsed period of time intervening between the date of the member's retirement and the date the member attains normal retirement age as determined by the Teachers' Retirement Board. The community college district shall make the payment with respect to all eligible employees who retired pursuant to this section and Section 22726.

Any employee who qualifies under this section and Section 22726 and subsequently reenters the State Teachers' Retirement System, shall forfeit the service credit acquired under this section and Section 22726.

This section shall not be applicable to any employee otherwise eligible if the employee receives any unemployment insurance payments arising out of employment with an employer subject to Part 13 (commencing with Section 22000) of Title 1 during a period extending one year beyond the effective date of the formal action, or if the employee is not otherwise eligible to retire for service under the State Teachers' Retirement System.

This section shall become inoperative on July 1, 1987, and, as of January 1, 1988, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1988, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 4. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 362

An act to add Section 22455 to the Vehicle Code, relating to vehicles.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 22455 is added to the Vehicle Code, to read:

22455. (a) The driver of any commercial vehicle engaged in vending upon a street may vend products on a street in a residence district only after bringing the vehicle to a complete stop and lawfully parked adjacent to the curb, consistent with the requirements of Chapter 9 (commencing with Section 22500) and local ordinances adopted pursuant thereto.

(b) A local authority may, by ordinance or resolution, adopt additional requirements for the public safety regulating any type of vending from vehicles upon any street. An ordinance or resolution adopted pursuant to this subdivision may prohibit vending from a vehicle upon a street.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the

California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 363

An act relating to the State Board of Registration for Geologists and Geophysicists, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The Legislature hereby finds and declares that the repeal of Sections 7847.5 and 7847.6 of the Business and Professions Code by Chapter 311 of the Statutes of 1983, effective January 1, 1984, inadvertently precluded the Board of Registration for Geologists and Geophysicists from considering applications filed before that date for waiver of the licensing examination under those sections.

Notwithstanding Chapter 311 of the Statutes of 1983, it is the intent of the Legislature to grant the board the authority to consider those applications filed before January 1, 1984, under the law as it existed until the repeal of Sections 7847.5 and 7847.6 of the Business and Professions Code.

SEC. 2. Notwithstanding Chapter 311 of the Statutes of 1983, applications which were filed prior to January 1, 1984, for registration under Sections 7847.5 and 7847.6 of the Business and Professions Code shall be processed and considered under the provisions of the Geologist and Geophysicist Act in existence on December 31, 1983.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to effect timely decisions on pending applications to the State Board of Registration for Geologists and Geophysicists, it is necessary that this bill go into effect immediately.

CHAPTER 364

An act to amend Section 14005.14 of the Welfare and Institutions Code, relating to public social services, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 14005.14 of the Welfare and Institutions Code is amended to read:

14005.14. (a) In addition to the income exemptions specified in subdivision (a) of Section 14005.7, an income exemption shall be allowed each month for the amount actually paid toward the cost of in-home supportive services needed as determined under standards and procedures established by the Director of Social Services, by a person who is eligible for Medi-Cal in accordance with Section 14005.3 or 14005.7. For the purpose of this section, "in-home supportive services" means those services that are available to recipients of the In-Home Supportive Services Program as defined by the Director of Social Services in regulations adopted pursuant to Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9.

(b) The income exemption provided by this section for those persons eligible for Medi-Cal in accordance with Section 14005.7 shall be restricted to those persons who, without in-home supportive services, would require 24-hour-a-day care in a health facility, as defined in Section 1250 of the Health and Safety Code, or a community care facility, as defined under Section 1502 of the Health and Safety Code.

(c) The State Department of Health Services shall seek all federal waivers necessary to allow for federal financial participation. The income exemption authorized by subdivision (b) shall remain in effect during the time period that the federal waivers are pending. If the necessary federal waivers cannot be obtained, the income exemption authorized by subdivision (b) shall continue to be implemented by the department.

SEC. 2. The State Department of Health Services shall adopt regulations implementing this act. These regulations shall be adopted as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For the purposes of the Administrative Procedure Act, the adoption of the regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, emergency regulations adopted

by the State Department of Health Services in order to implement this act shall not be subject to the review and approval of the Office of Administrative Law.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to safeguard the ability of disabled persons to remain in their homes, and in order to extend the benefits provided by this bill to those persons as quickly as possible, it is necessary that this act take effect immediately.

CHAPTER 365

An act to add Section 7004 to the Penal Code, relating to prison construction, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 7004 is added to the Penal Code, to read:

7004. The plans required pursuant to Section 7000 shall contain the department's plan for soliciting and receiving local public comment regarding the placement of a correctional facility in any particular community. The plan shall include provision for notice to a community, including the city, county, or city and county, under consideration for construction of a facility within 30 days after the department has identified a possible site for the proposed facility, public hearings on the proposed facility, and dissemination of the response of the department to comments of the community on the proposed facility.

The plan developed by the department concerning public comment on placement of correctional facilities shall be submitted to the Legislature and the Governor within 60 days of the effective date of this section. The plan shall be implemented as of the date of submission to the Governor and Legislature with respect to all prospective placements of correctional facilities. The Legislature and the Governor shall also be sent any subsequent changes or revisions of the plan by the department.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to proceed quickly with urgently needed prison construction, it is necessary that this act take effect immediately.

CHAPTER 366

An act to amend Section 8610 of the Fish and Game Code, relating to fish, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 8610 of the Fish and Game Code, as added by Chapter 203 of the Statutes of 1984, is amended to read:

8610. (a) Notwithstanding Sections 8687, 8696, and 8724, the use of set gill or trammel nets in Districts 10 and 17 and that portion of District 18 north of a line extending due west magnetic from Pfeiffer Point shall be limited to those individuals issued a nontransferable special permit for the use of gill or trammel nets in this area. The special permits shall be issued by the department, upon application, to any person who meets the qualifications of paragraphs (1) and (2) and either paragraph (3) or (4), as follows:

(1) The person is designated as an owner or operator of a vessel based on vessel registration information furnished to the department pursuant to subdivision (d) of Section 7884.

(2) The person possesses a general gill net permit issued pursuant to Section 8681 which is not revoked or canceled.

(3) The person has made one or more deliveries of halibut, croaker, or rockfish, or any combination thereof, in either 1982, 1983, or before March 27, 1984, in 1984, which were taken with set gill or trammel nets in Districts 10 and 17 during the period between January 1, 1982, and March 27, 1984. Proof of the taking under this paragraph may be made by receipts, which are verified by records maintained by the department and which were issued pursuant to Section 8014 during that time period which show the blocks in that area where the fish were taken, by receipts issued pursuant to Section 8014 during that time period in any part or parts within that area, or by entries in the logbook maintained under Section 8681.

(4) The person made an investment of not less than two thousand dollars ($2,000) in a net of not less than 2¾ inch mesh, or a reel used for recovery of such a net, or both the net and the reel, after April 1, 1983, and before May 21, 1984, for use in the halibut, rockfish, or croaker fisheries in District 10 or 17. The investment in net or reel shall be substantiated by receipts or invoices for that equipment and by matching canceled bank checks or drafts. The person shall also demonstrate familiarity with the area by having made a delivery of fish other than halibut, rockfish, or croaker in 1983 or before May 21, 1984, in 1984, which were taken and landed in District 10 or 17.

(b) A permit issued pursuant to this section shall be valid from April 1, 1984 to March 30, 1985. The department may establish a fee

for the special permit, which does not exceed the reasonable costs of administering this section.

(c) This section shall become inoperative on April 1, 1985, and, as of January 1, 1986, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1986, deletes or extends the date on which it is repealed.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to avoid unintentionally denying many fishermen gill or trammel net permits during 1984, it is necessary that this act take effect immediately.

CHAPTER 367

An act to amend Sections 10660 and 10801 of the Fish and Game Code, relating to fish refuges.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 10660 of the Fish and Game Code is amended to read:

10660. (a) In the Pacific Grove Marine Gardens Fish Refuge, fish, other than mollusks and crustaceans, may be taken under the authority of a sport fishing license as authorized by this code.

(b) Notwithstanding any other provision of this section, holders of scientific collectors' permits issued by the commission, or students working under their direction, may take marine life for scientific purposes in this refuge.

(c) In this refuge, sardines, mackerel, anchovies, squid and herring may be taken by ring net, lampara net or bait net as authorized by this code.

SEC. 2. Section 10801 of the Fish and Game Code is amended to read:

10801. The following constitutes the Pacific Grove Marine Gardens Fish Refuge:

All that area within the following boundaries as they existed April 1, 1963, not within the Hopkins Marine Life Refuge: Beginning at the point of intersection of the southeasterly corporate limit line of the City of Pacific Grove prolongated, and the line of mean high tide of the Bay of Monterey; thence northwesterly along said line of mean high tide to Point Pinos and continuing around said point in a westerly direction and continuing southwesterly along said line of mean high tide to the intersection with the southwesterly corporate

limit line prolongated of said city; thence N. 70° 45′ 00″ W. along said southwesterly corporate limit line prolongated to a point in the Pacific Ocean where the depth of water in said ocean is sixty (60) feet measured from the level of mean low tide; thence northwesterly along the line in said ocean which line is at a constant depth of sixty (60) feet measured from the level of mean low tide to Point Pinos and continuing around said point in an easterly direction and continuing southeasterly along the line in said bay which line is at a constant depth of sixty (60) feet measured from the level of mean low tide, to the intersection with the southeasterly corporate limit line of said city prolongated; thence S. 58° 57′ 45″ W. along said southeasterly corporate limit line prolongated, to the point of beginning.

SEC. 3. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 368

An act to amend Sections 8665, 9000.5, 9002, and 9002.1 of the Fish and Game Code, relating to fish.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 8665 of the Fish and Game Code is amended to read:

8665. In District 118.5, nets may not be used within 750 feet of any pier or dock, except for bait nets described in Section 8780 used to capture live bait and lobster traps authorized for use pursuant to Section 9002.

SEC. 2. Section 9000.5 of the Fish and Game Code is amended to read:

9000.5. (a) Traps may not be used to take fish, mollusks, or crustaceans in the ocean waters of the state for commercial purposes, except under a revocable, nontransferable permit issued annually by the department.

(b) Every person who takes fish, mollusks, or crustaceans with any trap or who possesses or transports fish, mollusks, or crustaceans on any boat, barge, or vessel when any trap is aboard, shall have in his possession a valid trap permit issued to him pursuant to this section

while engaged in any such activity.

(c) The trap permits issued pursuant to this section shall contain all applicable laws and regulations and shall be conditioned on compliance with the regulations and the applicable provisions of law.

(d) The application for a trap permit shall contain the statement, signed by the applicant, that he has read, understands, and agrees to be bound by all the terms of the trap permit.

(e) Any trap used pursuant to this section shall be marked with a buoy, and the buoy may be distinctively marked or painted by the fisherman and shall include the fisherman's trap permit number. The marking or painting of the buoy pursuant to this section shall be reported to the department.

The buoy shall be constructed so that it is on the surface of the water.

(f) It is unlawful willfully or recklessly to disturb, move, or injure any trap which belongs to another person and which is marked with a buoy in accordance with this section, except that a person may pull or raise traps bearing a registration number other than his or her own if he or she has written permission in his or her possession from the party who holds the permit assigned to those traps.

(g) Any trap used pursuant to this section or Section 9000 or 9002 shall have at least one destruction device that meets specifications approved by the department. In order to minimize the adverse effects on living marine resources, the specifications for destruction devices shall provide for a device that destructs rapidly enough to facilitate escape of a substantial proportion of all species confined in the trap from any trap that cannot be raised.

(h) Any trap used in violation of the provisions of this code or any regulations adopted pursuant thereto is a public nuisance and shall be seized pursuant to the provisions of Article 3 (commencing with Section 8630) of Chapter 3 of this part.

(i) Except as expressly provided in subdivision (g), this section does not apply to traps used for taking of lobster pursuant to Section 9002 and Article 5 (commencing with Section 8250) of Chapter 2 or for taking of market crabs (cancer magister) pursuant to Section 9000 and Article 6 (commencing with Section 8275) of Chapter 2.

SEC. 3. Section 9002 of the Fish and Game Code is amended to read:

9002. (a) Lobster traps may be used to take spiny lobsters in Districts 18, 19, 20A, and those portions of District 20 lying on the southerly side of Santa Catalina Island between Southeast Rock and China Point.

(b) Lobster traps shall be emptied not less than every 96 hours, and no trap shall be abandoned in the ocean.

(c) Wire traps shall be built of rectangular mesh with inside mesh measurement not less than 1⅞ inches by 3⅞ inches, the 3⅞-inch measurement to be parallel to the floor of the trap. Wire traps shall be fitted with at least one rigid rectangular escape gap with inside measurements not less than 2⅜ inches by 11½ inches. The escape gap

shall be located parallel to, and within two inches of, the floor on an outside wall of the rearmost chamber of the trap and shall be clearly accessible to the lobsters.

(d) Traps built of lath or other material shall have, along the full length of one side of the rearmost chamber, an opening to allow a means of escape. The opening shall be of a spacing of not less than 2⅜ inches, and that spacing shall be located parallel to, and within two inches of, the floor of the trap.

(e) Lobster traps may be used to take spiny lobsters, rock crabs, and sheepshead only, and any other species taken in lobster traps shall be released. Lobster traps may be used only during the season prescribed for spiny lobsters. Spiny lobsters taken in the manner commonly known as skindiving or by use of self-contained underwater breathing apparatus may not be sold.

(f) Lobster traps shall be marked with buoys, and the buoys may be distinctively marked or painted by the fisherman, and may include the fisherman's lobster permit number issued pursuant to Section 8254. The marking or painting of a buoy under this section shall be reported to the department.

(g) Any trap without buoys is a public nuisance.

(h) It is unlawful willfully or recklessly to disturb, move, or injure a lobster trap which belongs to another person and which is marked with a buoy in accordance with this section.

SEC. 4. Section 9002.1 of the Fish and Game Code is amended to read:

9002.1. Notwithstanding Sections 8660 and 8665, lobster traps may be used to within 75 feet of any private pier, wharf, jetty, breakwater, or dock in areas of the state not otherwise closed to the taking of lobsters.

SEC. 5. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 369

An act to amend Sections 19012, 19035, 19035.1, 19035.3, 19052, 19161, 19170, and 19170.5 of the Business and Professions Code, relating to home furnishings.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 19012 of the Business and Professions Code is amended to read:

19012. "Supply dealer" means a person who manufactures, processes or sells any felt, batting, pads, woven or plastic fabrics, or loose material in bags or containers, concealed or not concealed, to be used or that could be used in articles of upholstered furniture or bedding.

SEC. 2. Section 19035 of the Business and Professions Code is amended to read:

19035. The California Advisory Board of Home Furnishings shall consist of 13 members.

SEC. 3. Section 19035.1 of the Business and Professions Code is amended to read:

19035.1. Six members of the board shall be members of the industry at large and seven members shall represent the public at large. All of the members, except the members representing the public at large, shall have been actively engaged and licensed as follows: one as a mattress manufacturer, one as a supply dealer, one as a retailer, one as an upholstered furniture manufacturer, one as a custom upholsterer, and one as a waterbed manufacturer. Each licensee member shall be licensed for a period of not less than five years immediately preceding the date of his or her appointment and shall continue to be so engaged and licensed during the term of his or her office.

SEC. 3. Section 19035.3 of the Business and Professions Code is amended to read:

19035.3. Each member of the board shall be appointed for a term of four years and shall hold office until the appointment and qualification of his or her successor or until one year shall have elapsed since the expiration of his or her term, whichever first occurs.

Vacancies occurring in the membership of the board for any cause shall be filled by appointment for the balance of the unexpired term.

Each member appointed to the board, except the members appointed to represent the public at large, shall be from the same branch of the furniture and bedding industry as his or her predecessor.

No member shall serve more than two consecutive terms of office.

The Governor shall appoint five of the public members and the six members of the industry qualified as provided in Section 19035.1. The Senate Rules Committee and the Speaker of the Assembly shall each appoint a public member, and their initial appointment shall be made to fill, respectively, the first and second public member vacancies which occur on or after January 1, 1983.

SEC. 5. Section 19052 of the Business and Professions Code is amended to read:

19052. Every custom upholsterer, unless he or she holds a

furniture manufacturer's license, shall hold a custom upholsterer's license.

SEC. 6. Section 19161 of the Business and Professions Code is amended to read:

19161. All mattresses manufactured for sale in this state, including any mattress manufactured for sale for use in a hotel, motel, or other place of public accommodation in this state, shall be fire retardant. All upholstered furniture sold or offered for sale by a manufacturer or wholesaler for use in this state, including any upholstered furniture sold to or offered for sale for use in a hotel, motel, or other place of public accommodation in this state, shall be fire retardant and shall be labeled in a manner specified by the bureau. "Fire retardant," as used in this section, means a product that meets the regulations adopted by the bureau.

SEC. 7. Section 19170 of the Business and Professions Code is amended to read:

19170. (a) The fee imposed for the issuance and for the biennial renewal of each license granted under this chapter shall be set by the chief, with the approval of the director, at a sum not more nor less than that shown in the following table:

	Maximum fee	Minimum fee
Furniture manufacturer's license	$360	$120
Wholesale furniture dealer's license	360	120
Bedding manufacturer's license	360	120
Wholesale bedding dealer's license	360	120
Supply dealer's license	360	120
Custom upholsterer's license	240	80
Bedding renovator's license	240	80
Sterilizer's license	240	80
Retail furniture dealer's license	80	20
Retail bedding dealer's license	80	20

(b) A person who has paid the required fee and who is duly licensed as a furniture manufacturer, a custom upholsterer, a bedding manufacturer or a bedding renovator under this chapter shall not be required to pay, in addition, the fee prescribed herein for a sterilizer's license.

(c) Individuals who, in their own homes and without the employment of any other person, make, sell, advertise, or contract to make pillows, quilts, quilted pads or comforters are exempt from the fee requirements imposed by subdivision (a). However, such individuals must comply with all other provisions of this chapter.

SEC. 8. Section 19170.5 of the Business and Professions Code is amended to read:

19170.5. Licenses issued under this chapter expire two years from the date of issuance. To renew his or her license, a licensee shall, on or before the date on which it would otherwise expire, apply for

renewal on a form prescribed by the chief, and pay the fee prescribed by Section 19170. If the licensee fails to renew his or her license before its expiration, a delinquency fee of 20 percent, but not more than fifty dollars ($50), notwithstanding the provisions of Section 163.5, shall be added to the renewal fee. If the renewal fee and delinquency fee are not paid within 30 days after expiration of the license, the licensee shall be subject to such penalties as are provided elsewhere in this chapter.

CHAPTER 370

An act to amend Sections 3082 and 3084 of the Labor Code, relating to apprenticeship.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 3082 of the Labor Code is amended to read:

3082. The determination of the administrator shall be filed with the California Apprenticeship Council. If no appeal therefrom is filed with the California Apprenticeship Council within 10 days from the date the parties are given notification of the determination, in accordance with Section 1013a and Section 2015.5 of the Code of Civil Procedure, the determination shall become the order of the California Apprenticeship Council. Any person aggrieved by the determination or action of the administrator may appeal therefrom to the California Apprenticeship Council, which shall review the entire record and may hold a hearing thereon after due notice to the interested parties.

SEC. 2. Section 3084 of the Labor Code is amended to read:

3084. Any party to an apprentice agreement aggrieved by an order or decision of the California Apprenticeship Council may maintain appropriate proceedings in the courts on questions of law. The decision of the California Apprenticeship Council shall be conclusive if the proceeding is not filed within 30 days after the date the aggrieved party is given notification of the decision.

CHAPTER 371

An act to add Section 630 to the Unemployment Insurance Code, relating to unemployment insurance.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 630 is added to the Unemployment Insurance Code, to read:

630. Notwithstanding subparagraph (C) of paragraph (1) of subdivision (c) of Section 621 or Section 13004, "employment" does not include service as a transcriber of depositions, court proceedings, and hearings performed away from the office of the person, firm, or association obligated to produce a transcript of these proceedings.

CHAPTER 372

An act to add Section 15453.6 to the Government Code, relating to the financing of health care facilities, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 15453.6 is added to the Government Code, to read:

15453.6. Notwithstanding Section 15453 or 15453.5, the total amount of bonds which may be outstanding at any one time is hereby increased by an amount not exceeding eight hundred seventy-five million dollars ($875,000,000). Bonds for which moneys or securities in amounts necessary to pay or redeem the principal, interest, and any redemption premium thereon have been deposited in trust shall not be deemed outstanding for purposes of this section.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

It is estimated that the total amount of revenue bonds authorized to be outstanding under the existing California Health Facilities Authority Act will be issued prior to July 1, 1984. In order to increase the amount of revenue bonds authorized to be outstanding at any one time as soon as possible, it is necessary for this act to take effect immediately.

CHAPTER 373

An act to add Section 4211.5 to the Business and Professions Code, and to add Article 5.7 (commencing with Section 390) to Chapter 2 of Part 1 of Division 1 of the Health and Safety Code, relating to drugs.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds that California law does not prohibit either the prescriptive use of dimethyl sulfoxide by a licensed physician and surgeon in California or the dispensing of dimethyl sulfoxide by a pharmacist pursuant to the order of a licensed physician and surgeon.

SEC. 2. Section 4211.5 is added to the Business and Professions Code, to read:

4211.5. (a) As used in this section, "DMSO" means dimethyl sulfoxide.

(b) A licensed physician and surgeon shall, prior to treating a patient with a DMSO preparation, inform the patient in writing if DMSO has not been approved as a treatment or cure by the Food and Drug Administration for the disorder for which it is being prescribed.

(C) If DMSO is prescribed for any purpose other than for those purposes approved pursuant to Section 26670 of the Health and Safety Code, informed consent shall first be obtained from the patient.

As used in this subdivision, "informed consent" means the authorization given by the patient for treatment with DMSO after each of the following conditions have been satisfied:

(1) The patient is informed verbally in nontechnical terms about all of the following:

(A) A description of treatment procedures to be used in administering the DMSO.

(B) A description of any attendant discomfort and risks to the patient that can be reasonably expected from treatment with DMSO.

(C) An explanation of any benefits to the patient that can be reasonably expected.

(D) An explanation of any appropriate alternative procedures, drugs, or devices that might be advantageous to the patient, and their relative risks and benefits.

(E) An offer to answer any inquiries concerning the treatment or the procedures involved.

(2) The patient signs and dates a written consent form acknowledging that disclosure has been given pursuant to paragraph (1), and acknowledging consent to treatment with DMSO pursuant

to this section.

The patient shall be provided with a copy of the signed and dated consent form.

(d) An organized health care system may require that the administration of DMSO within the organized health care system be performed pursuant to standardized procedures developed by the organized health care system through collaboration among administrators and health professionals.

(e) The following notification shall be affixed to all quantities of DMSO prescribed by a licensed physician and surgeon, or dispensed by a pharmacy pursuant to the order of a licensed physician and surgeon in California: "Warning: DMSO may be hazardous to your health. Follow the directions of the physician who prescribed the DMSO for you."

(f) The label of any retail package of DMSO shall include appropriate precautionary measures for proper handling and first aid treatment and a warning statement to keep the product out of reach of children.

SEC. 2. Article 5.7 (commencing with Section 390) is added to Chapter 2 of Part 1 of Division 1 of the Health and Safety Code, to read:

Article 5.7. DMSO

390. As used in this article, "DMSO" means dimethyl sulfoxide.

391. DMSO sold in California other than by prescription shall be labeled by the manufacturer, distributor, or seller to contain a description of all of the contents in the solution, statement of purity, the percent of DMSO in the solution, and the manufacturer's name and address.

The label shall contain (a) the name and address of the distributor of the DMSO, if any, (b) the name and address of the manufacturer of the finished DMSO, and (c) the manufacturer's lot or control number. Finished DMSO means DMSO which requires no further manufacture prior to retail sale other than packaging or labeling. Whenever DMSO is sold or otherwise supplied, other than by prescription, the seller or supplier shall give additional printed material to the person receiving the DMSO that provides adequate warning against use that may be dangerous to the health of the user, and information that prescriptive DMSO is available from a physician.

The label of DMSO sold pursuant to this section shall contain the following statement: "It is unlawful to represent in any way that this product is useful or safe to use for medicinal purposes." The label shall include appropriate precautionary measures for proper handling and first aid treatment and a warning statement to keep the product out of reach of children.

SEC. 3. No appropriation is made by this act pursuant to Section 2231 or 2234 of the Revenue and Taxation Code or Section 6 of Article

XIII B of the California Constitution because the only costs which may be incurred by a local agency or school district will be because this act creates a new crime or infraction or eliminates a crime or infraction. Furthermore, this act does not create any present or future obligation to reimburse any local agency or school district for any costs incurred because of this act.

CHAPTER 374

An act to amend Section 50738.5 of the Health and Safety Code, relating to housing, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

I am reducing the appropriation contained in Section 2 of Assembly Bill No. 3783 from $5 million to $1 million.

The State has already allocated $5 million to the Rural Rental Assistance Program for use with allocations made in the Federal Fiscal Year 1984 which ends on September 30, 1984. This money is being used to construct 16 rental housing projects in the rural areas which will provide 990 units of newly constructed affordable rural rental units.

I have reduced the appropriation in this bill because I believe it is necessary to first assess its priority in relation to other pending housing production legislation before providing a higher level of funding.

With this reduction, I approve Assembly Bill No. 3783.

George Deukmejian, Governor

The people of the State of California do enact as follows:

SECTION 1. Section 50738.5 of the Health and Safety Code is amended to read:

50738.5. (a) The department shall establish and administer an annuity fund and may, notwithstanding any other provision of this chapter, make commitments to provide annuity payments from the fund directly to sponsors of rental housing developments which will receive construction or mortgage financing, or both, from the Farmers Home Administration to ensure affordable rents to eligible households.

(b) The department shall require annual reports on the use of annuity funds and any audits necessary to ensure the proper use of moneys from the annuity fund. The department shall review all complaints received concerning those funds and shall have all powers necessary to assure the lawful application of those funds.

(c) Any rental housing development assisted pursuant to this section shall be governed by a regulatory agreement between the sponsor and the department. The regulatory agreement shall meet all of the requirements imposed by subdivisions (b), (c), (d), and (e) of Section 50757. The regulatory agreement shall also contain restrictions on the occupancy of the dwelling units within the rental housing development necessary to meet the requirements of

subdivisions (a), (b), (c), and (e) of Section 50736 and Section 50739. In addition, elderly or physically handicapped households shall be allocated not less than 20 percent, or more than 50 percent, of the assisted units provided pursuant to this section. Other handicapped households shall be eligible for assisted units pursuant to this subdivision or subdivision (a), (b), (c), or (e) of Section 50736 if they otherwise meet the requirements imposed by those provisions.

(d) The department may utilize up to 2½ percent of the moneys appropriated for purposes of this section for administrative costs incurred in administering this section.

SEC. 2. The sum of five million dollars ($5,000,000) is hereby appropriated from the General Fund to the Rental Housing Construction Fund, created pursuant to Section 50740 of the Health and Safety Code, to be used for the purpose of implementing Section 50738.5 of the Health and Safety Code.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to avoid the loss to California of millions of dollars of federal financial assistance for housing, it is necessary for this act to take effect immediately.

CHAPTER 375

An act to add Chapter 21.6 (commencing with Section 17695) to Part 10 of, and to add Section 17739.1 to, the Education Code, relating to bonds, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 21.6 (commencing with Section 17695) is added to Part 10 of the Education Code, to read:

CHAPTER 21.6. STATE SCHOOL BUILDING LEASE-PURCHASE BOND LAW OF 1984

17695. This chapter may be cited as the State School Building Lease-Purchase Bond Law of 1984.

17695.1. The State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code) is adopted for the purpose of the issuance, sale, and repayment of, and otherwise providing with respect to, the bonds authorized to be issued by this chapter, and the provisions of

that law are included in this chapter as though set out in full in this chapter. All references in this chapter to "herein" shall be deemed to refer both to this chapter and that law.

17695.15. As used in this chapter, and for the purposes of this chapter as used in the State General Obligation Bond Law, the following words shall have the following meanings:

(a) "Committee" means the State School Building Finance Committee created by Section 15909.

(b) "Board" means the State Allocation Board.

(c) "Fund" means the State School Building Lease-Purchase Fund.

17695.2. For the purpose of creating a fund to provide aid to school districts of the state in accordance with the provisions of the Leroy F. Greene State School Building Lease-Purchase Law of 1976, and of all acts amendatory thereof and supplementary thereto, and to provide funds to repay any money advanced or loaned to the State School Building Lease-Purchase Fund under any act of the Legislature, together with interest provided for in that act, and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code, the committee shall be and is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of four hundred fifty million dollars ($450,000,000) in the manner provided herein, but not in excess thereof.

17695.25. All bonds herein authorized, which shall have been duly sold and delivered as herein provided, shall constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest thereof.

There shall be collected annually in the same manner and at the same time as other state revenue is collected such a sum, in addition to the ordinary revenues of the state, as shall be required to pay the principal and interest on the bonds as herein provided, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of the revenue, to do and perform each and every act which shall be necessary to collect the additional sum.

On the several dates of maturity of the principal and interest in each fiscal year, there shall be transferred to the General Fund in the State Treasury, all of the money in the fund exclusive of funds transferred pursuant to subdivision (f) of Section 6217 of the Public Resources Code, not in excess of the principal of and interest on the bonds then due and payable, except as herein provided for the prior redemption of the bonds, and, in the event the money so returned on the dates of maturity is less than the the principal and interest then due and payable, then the balance remaining unpaid shall be returned to the General Fund in the State Treasury out of the fund as soon thereafter as it shall become available.

17695.3. All money deposited in the fund under Section 17732 and

pursuant to the provisions of Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code shall be available only for transfer to the General Fund, as provided in Section 17695.25. When transferred to the General Fund, such money shall be applied as a reimbursement of the General Fund on account of principal and interest due and payable or paid from the General Fund on the earliest issue of school building bonds for which the General Fund has not been fully reimbursed by such transfer of funds.

17695.35. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this chapter, an amount that will equal the following:

(a) The sum annually as will be necessary to pay the principal of and the interest on the bonds issued and sold pursuant to the provisions of this chapter, as the principal and interest become due and payable.

(b) The sum as is necessary to carry out the provisions of Section 17695.4, which sum is appropriated without regard to fiscal years.

17695.4. For the purposes of carrying out the provisions of this chapter, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has by resolution authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund to be allocated by the board in accordance with this chapter. Any moneys made available under this section to the board shall be returned by the board to the General Fund for moneys received from the sale of bonds sold for the purpose of carrying out this chapter.

17695.5. Upon request of the board from time to time, supported by a statement of the apportionments made and to be made under Sections 17700 to 17750, inclusive, the committee shall determine whether or not it is necessary or desirable to issue any bonds authorized under this chapter in order to fund the apportionments, and, if so, the amount of bonds to be issued and sold. Two hundred million dollars ($200,000,000) shall be available for apportionment on December 1, 1984, and twenty-five million dollars ($25,000,000) shall become available for apportionment on the fifth day of each month thereafter until a total of four hundred fifty million dollars ($450,000,000) has become available for apportionment. The Treasurer shall sell the bonds so determined at such different times as necessary to service expenditures required by the apportionments.

17695.6. In computing the net interest cost under Section 16754 of the Government Code, interest shall be computed from the date of the bonds or the last preceding interest payment date, whichever is latest, to the respective maturity dates of the bonds then offered for sale at the coupon rate or rates specified in the bid, the computation to be made on a 360-day-year basis.

17695.7. The committee may authorize the Treasurer to sell all or any part of the bonds herein authorized at such time or times as may be fixed by the Treasurer.

17695.8. All proceeds from the sale of the bonds herein authorized deposited in the fund, as provided in Section 16757 of the Government Code, except those derived from premium and accrued interest, shall be available for the purpose herein provided, but shall not be available for transfer to the General Fund pursuant to Section 17695.25 to pay principal and interest on bonds.

17695.9. With respect to the proceeds of bonds authorized by this chapter, all provisions of Sections 17700 to 17750, inclusive, shall apply.

17695.95. Out of the first money realized from the sale of bonds under this chapter, there shall be repaid any moneys advanced or loaned to the State School Building Lease-Purchase Fund under any act of the Legislature, together with interest provided for in that act.

SEC. 2. Section 17739.1 is added to the Education Code, to read:

17739.1. Not more than two hundred million dollars ($200,000,000) of the moneys authorized by Chapter 21.6 (commencing with Section 17695) shall be reserved for the reconstruction or modernization of facilities within the meaning of this chapter.

SEC. 3. Section 1 of this act shall take effect upon the adoption by the people of the State School Building Lease-Purchase Bond Law of 1984, as set forth in Section 1 of this act. Sections 4 to 6, inclusive, of this act contain provisions relating to and necessary for the submission of the State School Building Lease-Purchase Bond Law of 1984 to the people, and for returning, canvassing, and proclaiming the votes thereon, and shall take effect immediately.

SEC. 4. Notwithstanding Sections 3525 and 10218 of the Elections Code or any other provision of law, the State School Building Lease-Purchase Bond Law of 1984, as set forth in Section 1 of this act, shall be submitted to the people of the State of California for their ratification at the next General Election, to be held November 6, 1984, and shall appear as the first proposition on the ballot. Section 1 of this act shall in all other respects be submitted to the voters in accordance with provisions of the Government Code and Elections Code governing submission of statewide measures to the voters at a statewide election.

SEC. 5. All ballots at the election shall have printed thereon and in a square thereof, the words: "State School Building Lease-Purchase Bond Law of 1984," and in the same square under the words the following in 8-point type: "This act provides for a bond issue of four hundred fifty million dollars ($450,000,000) to provide capital outlay for construction or improvement of public schools." Opposite the square, there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against the act. However, where the voting of the election is done by means of voting machines used pursuant to law

in such manner as to carry out the intent of this section, the use of the voting machines, and the expression of the voters' choice by means thereof, shall be deemed to comply with the provisions of this section.

SEC. 6. The votes cast for or against the State School Building Lease-Purchase Bond Law of 1984 shall be counted, returned, and canvassed and declared in the same manner and subject to the same rules as votes cast for state officers; and if it appears that the act shall have received a majority of all the votes cast for and against it at the election, then the act shall take effect as provided by this section, and shall not be repealed until the principal and interest of the liabilities created pursuant to this act shall be paid and discharged; but if a majority of the votes cast at the election are against this act, then the act shall not take effect.

SEC. 7. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to permit the school building lease-purchase bonds authorized by this act to be issued in a timely manner following approval by the electorate, it is necessary that this act take effect immediately.

CHAPTER 376

An act to amend Sections 25345, 25345.3, 25347, 25347.2, 25351, 25360, 25363, and 25395 of, to add Sections 25334, 25334.5, 25356.1, 25356.2, 25356.3, 25356.4, 25356.6, 25356.7, 25356.8, and 25356.9 to, and to add and repeal Article 7.5 (commencing with Section 25385) of Chapter 6.8 of Division 20 of, the Health and Safety Code, relating to financing a program of removal and remedial actions for hazardous substance sites through the issuance and sale of bonds of the State of California and by providing for the handling and disposition of those funds, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 25334 is added to the Health and Safety Code, to read:

25334. There is within the state account, the Hazardous Substance Clearing Account, which shall be used to pay the principal of, and interest on, bonds sold pursuant to Article 7.5 (commencing with Section 25385). Notwithstanding Section 25351, all of the following moneys shall be deposited in the Hazardous Substance

Clearing Account for the payment of the principal of, and interest on, bonds:

(a) Transfers from the Superfund Bond Trust Fund made pursuant to Section 25385.8.

(b) Amounts received pursuant to Sections 25356.4 and 25360, as specified in those sections.

(c) Federal moneys received pursuant to the federal act which are designated to be used for removal or remedial actions paid for by proceeds from the bonds issued pursuant to Article 7.5 (commencing with Section 25385).

(d) Any moneys appropriated by the Legislature for the payment of the principal of, and interest on, these bonds.

SEC. 2. Section 25334.5 is added to the Health and Safety Code, to read:

25334.5. The department shall prepare, as part of the Governor's Annual Budget, a site-specific plan of expenditures for removal and remedial actions to be paid for pursuant to Section 25385.6. The department shall include, in the plan, a review of the status of each removal and remedial action, including, but not limited to, the major tasks and deadlines, the priority ranking of these sites for cleanup by the department and the federal government, the remedial action plan approval schedule, the progress on a cooperative agreement with the federal government, negotiations with responsible parties, and the projected revenue sources. The department shall update this plan annually by detailing any changes in the plan. The department shall also include in the plan a projection of the cash flow for each remedial and removal action for at least a five-year period, including a review of receipts from responsible parties, cost recovery actions, federal moneys, and loan payments.

SEC. 3. Section 25345 of the Health and Safety Code is amended to read:

25345. (a) There is hereby imposed a tax, payable annually, and to be collected by the board, upon each ton or fraction thereof, of waste and material specified in Section 25342, according to the formula specified in this section. The board shall set the base tax rate upon the waste and material specified in Section 25342 in accordance with the following formula:

$$\text{Base tax rate} = \frac{15{,}000{,}000}{(0.15W_1 + W_2 + 2W_3 + 0.01W_4)}$$

where:

(1) W_1 is the total amount in tons of waste and material specified in subdivision (a) of Section 25344.

(2) W_2 is the total amount in tons of waste specified in subdivision (b) of Section 25344.

(3) W_3 is the total amount in tons of waste specified in subdivision (c) of Section 25344.

(4) W_4 is the total amount in tons of waste specified in subdivision (d) of Section 25344.

(b) On or before May 1 of each year, using the formula specified in subdivision (a), the board shall determine the base tax rate for the current year.

(c) The tax imposed upon each person subject to Section 25342 shall be assessed according to the following formula:

$$\text{Tax} = (\text{base tax rate}) \times (0.15\ P_1 + P_2 + 2P_3 + 0.01P_4)$$

where:

(1) "Base tax rate" equals the figure determined pursuant to subdivision (a).

(2) P_1 is the amount in tons of waste and material specified by the person pursuant to subdivision (a) of Section 25342.

(3) P_2 is the amount in tons of waste specified by the person pursuant to subdivision (b) of Section 25342.

(4) P_3 is the total amount in tons of waste specified by the person pursuant to subdivision (c) of Section 25342.

(5) P_4 is the total amount in tons of waste specified by the person pursuant to subdivision (d) of Section 25342.

(d) On or before May 1 of each year, the board shall send to each person subject to Section 25342 a notice of assessment.

(e) On or before July 1 of each year, each person subject to Section 25342 shall pay to the board the amount of the assessment as stated in the notice. The tax under this chapter shall not be imposed again on hazardous waste or extremely hazardous waste if the waste, or any portion thereof, is removed subsequently to another place for disposal and if the person has paid the amount of assessment for the waste in accordance with this section before the removal thereof.

(f) Notwithstanding any other provision of this section, hazardous wastes disposed of into an injection well during the 1981 calendar year shall be subject to a tax rate that does not exceed 26.4 percent of the base tax rate, as determined in subdivision (a), as it read on January 1, 1984, per ton or fraction thereof.

(g) For purposes of this article, the following definitions apply:

(1) "Injection well" means a bored, drilled, or driven shaft, whose depth is greater than the largest surface dimension, and which is used to inject hazardous waste into an underground formation. Injection well does not mean any well located in class I or a class II-1 disposal site, as defined in Sections 2510 and 2511 of Title 23 of the California Administrative Code, on September 25, 1981.

(2) "Formation" means a body of rock characterized by a degree of lithologic homogenity which is prevailingly, but not necessarily, tabular and is mappable on the earth's surface or traceable in the subsurface.

(3) "Landfarm" means a waste management technique,

conducted within a hazardous waste facility which has received a hazardous waste facilities permit or has obtained interim status pursuant to Article 9 (commencing with Section 25200) of Chapter 6.5, or pursuant to Section 6925 of Title 42 of the United States Code. This waste management technique consists of applying oily wastes, biodegradable wastes, or both wastes onto land and incorporating them into the surface of the soil and, by controlling critical parameters of alkalinity and acidity, moisture content, and soil texture, enhancing the aerobic biodegradation of the waste into carbon dioxide, water, and humus. Landfarming is a managed process which changes the physical, chemical, or biological composition of hydrocarbon wastes, and it does not include any other land disposal practices, including, but not limited to, landfilling or codisposal.

(h) The taxes assessed for the 1984 calendar year and due July 1, 1985, and the taxes assessed in all subsequent years, shall be determined pursuant to this section.

SEC. 4. Section 25345.3 of the Health and Safety Code is amended to read:

25345.3. (a) Any person, or the person's contractor, which removes or remedies a release, by another person, of hazardous waste is not subject to the requirements of Sections 25342 and 25345 with respect to that removal or remedial action.

(b) Except as provided in subdivision (c), the person responsible for a release of hazardous waste, which has been removed or remedied by a state or local agency, or its contractor, shall submit to the board the information required by Section 25342 for the hazardous waste which was released and shall also pay the tax provided in Section 25345.

(c) On and after July 1, 1984, persons responsible for a release of hazardous waste, which has been removed or remedied before January 1, 1990, pursuant to a remedial action plan issued pursuant to Section 25356.1, are not subject to the requirements of Sections 25342 and 25345, and the hazardous waste so removed is not subject to the fee specified in Section 25174, with respect to that removal or remedial action, if the original release did not result from willful misconduct by the responsible persons.

SEC. 5. Section 25347 of the Health and Safety Code is amended to read:

25347. (a) In no event shall the total taxes collected in any one fiscal year pursuant to this chapter exceed fifteen million dollars ($15,000,000). The calculation of the maximum tax to be assessed for the 1984 calendar year, and subsequent calendar years, shall be determined pursuant to this section.

(b) This section does not prevent the board from collecting any taxes which are not paid when due, or from issuing any determination or redetermination pursuant to Sections 43201 and 43304 of the Revenue and Taxation Code. Any determination of taxes shall be at the tax rates established pursuant to Section 25345

of this code for the period for which the determination is issued.

SEC. 6. Section 25347.2 of the Health and Safety Code is amended to read:

25347.2. (a) "State account rebate" means the total taxes, interest, and penalties for any preceding calendar year which have been collected during the previous 12-month period, pursuant to Section 25345 and Part 22 (commencing with Section 43001) of Division 2 of the Revenue and Taxation Code, less the total of:

(1) Fifteen million dollars ($15,000,000), or the amount appropriated for the current fiscal year by the Legislature for the purposes of this chapter, whichever is the lesser amount.

(2) The total amount of refunds of tax, interest, and penalties paid during the previous 12-month period.

(3) The total amount of claims for refund filed and pending, to the extent that these claims relate to tax, interest, and penalties collected during the previous 12-month period.

(b) "Previous 12-month period" means the period from March 1 of the preceding year to March 1 of the current year.

(c) On or before June 1 of each year, the State Board of Equalization shall compute the amount of the state account rebate for the previous 12-month period. The state account rebate shall be credited or paid to each person who paid taxes for the preceding calendar year pursuant to Section 25345 and Part 22 (commencing with Section 43001) of Division 2 of the Revenue and Taxation Code on a pro rata basis in proportion to the amount of taxes, interest, and penalties paid by that person for the preceding year.

(d) The amount of any credit or payment for the state account rebate shall be accompanied by a brief explanation or statement of account and may be reflected in the notice of assessment for the current year.

(e) Notwithstanding Section 13340 of the Government Code, there is hereby continuously appropriated from the Hazardous Substance Account in the General Fund, to the State Board of Equalization, sufficient funds to pay the state account rebates authorized by this section.

SEC. 7. Section 25351 of the Health and Safety Code is amended to read:

25351. (a) Consistent with the requirements of Section 114(c) of the federal act (42 U.S.C. Sec. 9614(c)), moneys in the state account may be expended by the director, upon appropriation by the Legislature, for all of the following purposes:

(1) The costs and expenses reasonably necessary for, and incidental to, the administration of this chapter by the department.

(2) The state share mandated pursuant to Section 104(c) (3) of the federal act (42 U.S.C. Sec. 9604(c) (3)).

(3) The purchase by the state, or by any local agency with the

prior approval of the director, of hazardous substance response equipment and other preparations for response to a release of hazardous substances. However, all equipment shall be purchased in a cost-effective manner after consideration of the adequacy of existing equipment owned by the state or the local agency, and the availability of equipment owned by private contractors.

(4) For payment of all costs of removal and remedial action incurred by the state, or by any local agency with the approval of the director, including actions taken concerning orphan shares and orphan sites, in response to a release or threatened release of a hazardous substance to the extent the costs are not reimbursed by the federal act.

(5) For payment of all costs of actions taken pursuant to subdivision (b) of Section 25358.3, to the extent that these costs are not paid by the federal act.

(6) All costs incurred in cooperation with the Agency for Toxic Substances and Disease Registry established pursuant to Section 104(i) of the federal act (42 U.S.C. Sec. 9604(i)) and all costs of health effects studies undertaken regarding specific sites or specific substances at specific sites. Funds appropriated for this purpose shall not exceed five hundred thousand dollars ($500,000) in any single fiscal year. However, these actions shall not duplicate reasonably available federal actions and studies.

(7) Repayment of the principal of, and interest on, bonds sold pursuant to Article 7.5 (commencing with Section 25385).

(8) The reasonable and necessary costs and expenses of the Hazardous Waste Cleanup Arbitration Panel created pursuant to Section 25356.2.

(b) The director shall expend federal funds in the state account consistent with the requirements specified in Section 114 of the federal act (42 U.S.C. Sec. 9614), upon appropriation by the Legislature, for the purposes for which they were provided to the state.

(c) Moneys in the state account shall not be expended to conduct removal or remedial actions if any significant portion of the hazardous substances to be removed or remedied originated from a source outside of the state.

SEC. 8. Section 25356.1 is added to the Health and Safety Code, to read:

25356.1. (a) The department, or, if appropriate, the regional water quality control board shall prepare or approve remedial action plans for all sites listed pursuant to Section 25356.

(b) A potentially responsible party may request the department or the regional water quality control board, when appropriate, to prepare or approve a remedial action plan for any site not listed pursuant to Section 25356 if the department or the State Water Resources Control Board determines that a removal or remedial action is required to respond to a release of a hazardous substance. The department or the state board shall

respond to a request to prepare or approve a remedial action plan within 90 days of receipt. This subdivision does not affect the authority of any regional water quality control board to issue and enforce a cleanup and abatement order pursuant to Section 13304 of the Water Code or a cease and desist order pursuant to Section 13301 of the Water Code.

(c) All remedial action plans prepared or approved pursuant to this section shall be based upon Section 25350, Subpart F of the National Oil and Hazardous Substances Pollution Contingency Plan (40 C.F.R. Sec. 300.61 et seq.) and upon all of the following factors, to the extent that these factors are consistent with these federal regulations and do not require a less stringent level of cleanup than these federal regulations:

(1) Health and safety risks posed by the conditions at the site. When considering these risks, the department or the regional water quality control board shall consider scientific data and reports which may have a relationship to the site.

(2) The effect of contamination or pollution levels upon present, future, and probable beneficial uses of contaminated, polluted, or threatened resources.

(3) The effect of alternative remedial action measures on the reasonable availability of groundwater resources for present, future, and probable beneficial uses.

(4) Site specific characteristics, including the potential for offsite migration of hazardous substances, the surface or subsurface soil, and the hydrogeologic conditions, as well as preexisting background contamination levels.

(5) Cost-effectiveness of alternative remedial action measures.

(d) A remedial action plan prepared or approved pursuant to this section shall include a statement of reasons setting forth the basis for the remedial action selected. The statement shall include an evaluation of each proposed alternative submitted to, or prepared by, the department or the regional water quality control board for a particular site. The statement shall also include an evaluation of the consistency of the remedial actions proposed by the plan with the federal regulations and factors specified in subdivision (c) and shall set forth the reasons for rejection of alternative remedial actions. The statement shall also include a nonbinding preliminary allocation of responsibility among all identifiable potentially responsible parties at a particular site, including those parties which may have been released, or may otherwise be immune, from liability pursuant to this chapter or any other provision of law. Before adopting a remedial action plan, the department or the regional water quality control board shall prepare or approve a draft remedial action plan and shall circulate the draft plan for at least 30 days for public comment. After review and consideration of any public comments, and revising the draft plan, if appropriate, the department or the regional water quality control board shall issue the adopted remedial action plan.

(e) A potentially responsible party named in the adopted remedial action plan issued by the department may seek judicial review of the remedial action plan pursuant to Section 1085 of the Code of Civil Procedure within 30 days after the adopted plan is issued. If a potentially responsible party does not file for judicial review within 30 days after the adopted remedial action is issued the remedial action plan is deemed final for purposes of this chapter.

For purposes of judicial review, the court shall uphold the adopted remedial action plan as final if the plan is based upon substantial evidence available to the department or the regional water quality control board, as the case may be.

(f) The filing of a petition pursuant to subdivision (e) seeking judicial review of a remedial action plan does not stay any remedial or removal action.

(g) The department shall do all of the following before conducting a removal or remedial action pursuant to a remedial action plan:

(1) Notify all residents living within one-half mile from the perimeter of the release site by direct mail or by publication in a local newspaper of general circulation.

(2) Conduct a sufficient number of public hearings to provide information to the public and to respond to the public's concerns and advice. The information to be provided shall include an assessment of the degree of contamination, the characteristics of the hazardous substances, an estimate of the time required to carry out the removal action, and a description of the planned removal action.

(3) Comply with Section 25358.7.

(h) This section does not require the department or a regional water quality control board to prepare a remedial action plan if conditions present at a site present an imminent or substanital endangerment to the public health and safety or to the environment.

(i) Article 2 (commencing with Section 13320), Article 3 (commencing with Section 13330), Article 5 (commencing with Section 13350), and Article 6 (commencing with Section 13360) of Chapter 5 of Division 7 of the Water Code apply to any action or failure to act by a regional water quality control board pursuant to this section.

SEC. 9. Section 25356.2 is added to the Health and Safety Code, to read:

25356.2. There is hereby created in the Department of Environmental Affairs a Hazardous Substance Cleanup Arbitration Panel.

The panel may apportion liability and may negotiate cleanup agreements in accordance with Sections 25356.3 and 25356.4. All meetings of the panel are exempt from Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of, and Article 9

(commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of, the Government Code.

The panel shall be comprised of independent private arbitrators who have applied to the Department of Environmental Affairs for membership on the panel. Panel members shall have (a) relevant arbitration background and (b) expertise in engineering, expertise in the physical, biological, or health sciences, or other relevant experience and qualifications. Three arbitrators shall be selected from the panel to apportion liability and negotiate cleanup agreements for a single hazardous waste site. A majority of the arbitrators selected for a single site may act for the panel under this chapter.

The arbitrators shall be selected for an individual hazardous waste site as follows:

(a) One arbitrator shall be selected by the department.

(b) One arbitrator shall be selected by the potentially responsible party, or a majority of the potentially responsible parties, who have submitted to binding arbitration by the panel.

(c) The two arbitrators selected pursuant to subdivisions (a) and (b) shall jointly select a third arbitrator.

SEC. 10. Section 25356.3 is added to the Health and Safety Code, to read:

25356.3. (a) Within 15 days after a remedial action plan is made final, any potentially responsible parties with aggregate alleged liability in excess of 50 percent of the costs of remedial action, as set forth in the statement of reasons issued pursuant to subdivision (d) of Section 25356.1, but excluding any costs which are the subject of an agreement under which any party agrees to assume liability for those costs, may convene an arbitration proceeding by agreeing to submit to binding arbitration by the panel. If an arbitration panel is convened pursuant to this section, any other potentially responsible party may elect to submit to binding arbitration by the panel. Any person submitting to arbitration under this section shall agree not to contest the fact of liability in the arbitration. The panel shall, and the parties are entitled to, address the proper apportionment of liability pursuant to subdivision (b). Submission to arbitration under this section is not an admission of liability for any other purpose or in any other proceeding, including a subsequent arbitration proceeding concerning the same site.

(b) The panel may apportion liability for the costs to carry out a final remedial action plan. The panel shall negotiate and conclude cleanup agreements between the department and the potentially responsible parties pursuant to Section 25356.4.

(c) In panel proceedings, liability for cleanup costs shall be apportioned among all identifiable potentially responsible parties regardless of whether those parties are before the panel or have otherwise been released, or are immune, from liability pursuant to this chapter or any other provision of law. The panel shall

apportion liability based on all of the following criteria:

(1) The amount of hazardous substance for which each party may be responsible.

(2) The degree of toxicity of the hazardous substance.

(3) The degree of involvement of the potentially responsible parties in the generation, transportation, treatment, or disposal of the hazardous substance.

(4) The degree of care exercised by the potentially responsible parties with respect to the hazardous substances, taking into account the characteristics of the substance.

(5) The degree of cooperation by the potentially responsible parties with federal, state, and local officials to prevent harm to human health and the environment.

(d) The panel may issue subpoenas and subpoenas duces tecum to require attendance of a person or the production of documents, at the request of any person identified as potentially responsible in the remedial action plan, on its own motion, or at the request of the department or the appropriate regional water quality control board. A person requesting a subpoena duces tecum shall comply with Section 1985 of the Code of Civil Procedure. The jurisdiction of subpoenas and subpoenas duces tecum issued by the panel extends to all parts of the state. The subpoenas and subpoenas duces tecum shall be served pursuant to Sections 1987 and 1988 of the Code of Civil Procedure.

If the panel determines that a person is refusing to respond to a subpoena or subpoena duces tecum, or is guilty of a misconduct during the arbitration and negotiation process, the panel shall certify the facts to the superior court of the county in which the site is located. The court shall thereupon issue an order directing the person to appear before the court and show cause why the person should not be punished for contempt pursuant to Section 1209 of the Code of Civil Procedure. The order and a copy of the certified statement shall be served on the person, and thereafter the court shall have jurisdiction of the matter. The same proceedings shall be followed, the same penalties may be imposed, and the person charged may be purged of contempt in the same way as if the person has committed a contempt in the trial of a civil action before a superior court.

After receipt of documents pursuant to a subpoena duces tecum, any party may request the panel for a continuance for a reasonable period of time to review the documents prior to proceeding with the arbitration. The panel may grant a continuance for that purpose upon a showing of good cause.

(e) Section 1282.2 of the Code of Civil Procedure applies to any discovery proceedings conducted pursuant to this section.

(f) This chapter does not require a regional water quality control board or the State Water Resources Control Board to engage in arbitration pursuant to this section or Section 25356.2 for any enforcement action taken pursuant to Divison 7

(commencing with Section 13000) of the Water Code.

SEC. 11. Section 25356.4 is added to the Health and Safety Code, to read:

25356.4. (a) After making an apportionment of liability pursuant to Section 25356.3, the panel shall negotiate and prepare a draft cleanup agreement and shall circulate the draft for at least 30 days for public comment. After review and consideration of any public comment, the panel shall conclude the final agreement within 30 days after the comment period.

(b) Any cleanup agreement prepared by the panel shall be signed by the department and shall be binding on the department and on each party which submitted to arbitration.

(c) Any share of those responsible parties not executing a cleanup agreement, or otherwise agreeing to pay the costs of the remedial action, are orphan shares for the purpose of expenditures from the state account.

(d) The department shall identify, and the Attorney General shall pursue recovery from, those responsible parties which did not sign the cleanup agreement.

(e) Advances from the state account, in the amount of orphan shares, shall be made available, where appropriate, to the parties who have signed a cleanup agreement to permit the parties who have signed the agreement to implement the agreement until the orphan shares are recovered or until a final decision to pay the orphan shares from the state account is made.

SEC. 12. Section 25356.6 is added to the Health and Safety Code, to read:

25356.6. (a) Notwithstanding any other provision of state law or any local ordinance or regulation, except as provided in subdivision (b), to encourage the prompt and effective cleanup of hazardous substance release sites, a potentially responsible party who has entered into a cleanup agreement and discharged its obligations thereunder has no additional civil liability to any governmental entity under state or local law, except as provided in subdivision (b), for any prior acts or omissions associated with the conditions addressed in the remedial action plan which is the subject of the cleanup agreement. In all cleanup agreements, the department shall condition the release from liability specified in this section on complete implementation of the remedial action plan, including, where appropriate, adequate sampling, testing, and maintenance of the site to which the remedial action plan is applicable to ensure that the level of cleanup required is achieved and maintained. However, this section does not affect the liability of any person for costs recoverable under Section 25352, unless these costs are specifically addressed in the cleanup agreement. Where these costs are not addressed in the cleanup agreement, the liability for these costs shall be determined pursuant to the applicable sections of this chapter and may be apportioned among the potentially responsible parties pursuant to Sections 25356.3

and 25356.4.

(b) The department, any party to the cleanup agreement, or any party substantially affected by the cleanup agreement may petition the panel to modify the apportionment of liability in a cleanup agreement. Upon a showing of a material change in the facts known to the parties to the cleanup agreement at the time it was entered into, the panel shall modify the apportionment of liability made pursuant to a cleanup agreement, in accordance with Section 25356.3, to reflect these changed facts.

(c) This section does not affect the existing rights of any individual to recover civil damages or to obtain equitable relief against any person, including a potentially responsible party, for physical injury or property damage caused by the release of hazardous substances at the site covered by the cleanup agreement or at any other location.

(d) A party to a cleanup agreement may seek contribution and indemnity from any other person liable for the remedial action taken pursuant to the cleanup agreement, including any department, agency contractor, or any other governmental agency. However, a person not signing a cleanup agreement with the department, as provided in Section 25356.4, and found liable under this chapter has no right to contribution from a party to a cleanup agreement for any remedial action which is the subject of the cleanup agreement.

SEC. 13. Section 25356.7 is added to the Health and Safety Code, to read:

25356.7. In order to encourage rapid resolution of differences among responsible parties and to speed cleanup of sites, and notwithstanding any other provision of law, the following evidence is admissible in a court of law only to show the good faith of the parties executing a cleanup agreement pursuant to Section 25356.3 and that the following cleanup activities specified in the cleanup agreement were to be performed:

(a) A preliminary allocation of responsibility pursuant to Section 25356.1.

(b) The fact that any person has either participated or has not participated in a panel arbitration proceeding.

(c) The fact that any person has voluntarily implemented a remedial action plan, regardless of whether the plan is final for purposes of Section 25386.6.

(d) Any finding of fact or conclusion of law by the panel, including the determination or apportionment of liability pursuant to Section 25356.3.

(e) Admissions made during negotiation of a cleanup agreement.

(f) Documents prepared by a party which has submitted to binding arbitration if the documents are prepared after the remedial action plan has been issued, and if the documents are prepared solely for the arbitration.

SEC. 14. Section 25356.8 is added to the Health and Safety Code, to read:

25356.8. (a) Judicial review of the panel decision on the imposition or apportionment of liability is limited to a showing of fraud by a party to a cleanup agreement or an abuse of discretion by the panel, or both.

(b) Judicial review of a panel decision modifying the remedial action plan pursuant to subdivision (b) of Section 25356.6 shall be conducted according to Section 1094.5 of the Code of Civil Procedure.

SEC. 15. Section 25356.9 is added to the Health and Safety Code, to read:

25356.9. (a) The provisions of this chapter relating to the preparation, approval, and issuance of remedial action plans and to procedures for apportioning liability by the Hazardous Substance Cleanup Arbitration Panel do not apply to any actions taken pursuant to Chapter 6.5 (commencing with Section 25100) and do not prohibit the department or the Attorney General from pursuing the remedies specified in subdivision (a) of Section 25358.3 when the director determines that there may be an imminent or substantial endangerment to the public health or welfare or to the environment, because of a release or a threatened release of a hazardous substance.

(b) The department and the Attorney General may pursue any existing legal, equitable, or administrative remedies, pursuant to federal or state law, against any potentially responsible party named in a remedial action plan who does not submit to arbitration pursuant to Section 25356.3.

SEC. 16. Section 25360 of the Health and Safety Code is amended to read:

25360. Any costs incurred and payable from the state account or the Hazardous Substance Cleanup Fund shall be recovered by the Attorney General, upon the request of the department, from the liable person or persons. In addition, the person or persons are liable to the department for administrative costs in an amount equal to 10 percent of the reasonable cost actually incurred, or five hundred dollars ($500), whichever is greater. The amount of cost determined pursuant to this section shall be recoverable in a civil action. Nothing in this section deprives a party of any defense he or she may have. Moneys recovered by the Attorney General pursuant to this section shall be deposited in the state account, except that, if the costs incurred were paid from the Hazardous Substance Cleanup Fund, the Attorney General shall deposit the amounts recovered into the Hazardous Substance Clearing Account. Moneys deposited in the Hazardous Substance Clearing Account pursuant to this section are available to pay the principal of, and interest on, bonds sold pursuant to Article 7.5 (commencing with Section 25385).

SEC. 17. Section 25363 of the Health and Safety Code is

amended to read:

25363. (a) Any party found liable for any costs or expenditures recoverable under this chapter who establishes by a preponderance of the evidence that only a portion of those costs or expenditures are attributable to that party's actions, shall be required to pay only for that portion.

(b) If the trier of fact finds the evidence insufficient to establish each party's portion of costs or expenditures under subdivision (a), the court shall apportion those costs or expenditures, to the extent practicable, according to equitable principles, among the defendants.

(c) The state account shall pay any portion of the judgment in excess of the aggregate amount of costs or expenditures apportioned under subdivisions (a) and (b).

(d) The standard of liability for any costs or expenses recoverable pursuant to this chapter is strict liability.

SEC. 18. Article 7.5 (commencing with Section 25385) is added to Chapter 6.8 of Division 20 of the Health and Safety Code, to read:

Article 7.5. Hazardous Substance Cleanup Bond Act of 1984

25385. This article shall be known and may be cited as the Johnston-Filante Hazardous Substance Cleanup Bond Act of 1984.

25385.1. For purposes of this article, and for purposes of Section 16722 of the Government Code as applied to this article, the following definitions apply:

(a) "Board" means the State Department of Health Services.

(b) "Committee" means the Hazardous Substance Cleanup Committee created pursuant to Section 25385.4.

(c) "Director" means the State Director of Health Services.

(d) "Fund" means the Hazardous Substance Cleanup Fund created pursuant to Section 25385.3.

(e) "Orphan site" means a site with a release or threatened release of a hazardous substance with no reasonably identifiable responsible parties.

(f) "Orphan share" means those costs of removal or remedial action at sites with a release or threatened release of hazardous substances, which costs are in excess of amounts included in a cleanup agreement.

(g) "Responsible party" means a person who is, or may be, responsible or liable for carrying out, or paying for the costs of, a removal or remedial action.

(h) "Trust fund" means the Superfund Bond Trust Fund.

25385.2. The State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code) is adopted for the purpose of the issuance, sale, and repayment of, and otherwise providing with respect to, the bonds authorized to be issued pursuant to this

article, and the provisions of that law are included in this article as though set out in full in this article, except that, notwithstanding anything in the State General Obligation Bond Law, the maximum maturity of bonds shall not exceed 30 years from the date of the bonds, or from the date of each respective series. The maturity of each respective series shall be calculated from the date of the series.

25385.3. (a) The Hazardous Substance Cleanup Fund is hereby created in the State Treasury. The proceeds of bonds issued and sold pursuant to this article shall be deposited in the fund, and the money in the fund may be expended only for the purposes specified in this article and, pursuant to appropriation by the Legislature, in the manner specified in this section.

(b) Except when the Legislature appropriates money from the fund for specified removal or remedial actions in a bill other than the Budget Act, it is the intention of the Legislature that all proposed appropriations for activities conducted pursuant to this article be included in a section of the Budget Act for each fiscal year for consideration by the Legislature and that this section be captioned "Hazardous Substance Cleanup Bond Act Program." Any appropriation of money from the fund is subject to all the limitations contained in the bill making the appropriation and to all fiscal procedures specified by statute concerning the expenditure of state funds.

(c) In issuing bonds pursuant to this article, the committee shall, to the extent possible, pay the principal of, and interest on, the bonds from the sources specified in subdivisions (a) to (f), inclusive, of Section 25385.9. The General Fund shall be reimbursed from these sources for any transfers made to the Hazardous Substance Clearing Account from the General Fund to make the principal and interest payments. In determining the amount the General Fund is to be reimbursed for any transfer, the committee shall also include interest on the transfer at a rate equal to the bond rate on the transfer from the date of transfer to the date of reimbursement.

25385.4. The Hazardous Substance Cleanup Committee, which is hereby created, shall consist of the Governor, the Director of Finance, the Treasurer, the Controller, and the Secretary of the Health and Welfare Agency.

25385.5. The committee may create a debt or debts, liability or liabilities, of the State of California, in the aggregate of one hundred million dollars ($100,000,000), in the manner provided in this article. The debt or debts, liability or liabilities, shall be created for the purpose of providing moneys, for deposit in the fund, for the purposes specified in Section 25385.6.

25385.6. (a) The moneys in the Hazardous Substance Cleanup Fund may be used, upon appropriation by the Legislature, for the purposes specified in this section.

(b) The board may expend moneys in the fund, upon the

authorization of the committee, for all of the following purposes:

(1) To provide the state share of a removal or remedial action pursuant to Section 104(c)(3) of the federal act (42 U.S.C. Sec. 9604(c)(3)) if the site is the subject of a final remedial action plan issued pursuant to Section 25356.1.

(2) To pay all costs of a removal or remedial action incurred by the state, or by any local agency with the approval of the director, in response to a release or threatened release of a hazardous substance at a site which is listed in the priority ranking of sites pursuant to Section 25356 and is the subject of a final remedial action plan issued pursuant to Section 25356.1, to the extent that the costs are not paid by responsible parties or are reimbursed by the federal act.

(3) To pay for site characterization of a release of hazardous substances, even if a remedial action plan has not been prepared, approved, adopted, or made final for that site.

25385.7. (a) All bonds authorized by this article, which are sold and delivered as provided in this article, constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California are hereby pledged for the punctual payment of both principal and interest thereon.

(b) There shall be collected annually, in the same manner and at the same time as other state revenue is collected, that sum, in addition to the ordinary revenues of the state, which is required to pay the principal of, and interest on, the bonds as provided in this article, and all officers charged by law with any duty in regard to the collection of the revenue shall perform each and every act which is necessary to collect this additional sum.

25385.8. (a) The Superfund Bond Trust Fund is hereby created in the State Treasury. All interest earned on funds in the state account, and other funds transferred to the trust fund by the Legislature or the department, shall be deposited in the trust fund, which is a sinking fund to ensure the payment of principal of, and interest on, the debt incurred pursuant to Section 25385.5. The funds in the trust fund shall be invested by the Treasurer. The committee shall administer the trust fund so that there are sufficient funds in the trust fund to make the necessary principal and interest payments on bonds issued and shall transfer funds from the trust fund for this purpose to the Hazardous Substance Clearing Account.

(b) There shall be transferred annually the sum of five million dollars ($5,000,000) from the state account to the trust fund.

(c) The unobligated balance in the state account shall be transferred by the department to the trust fund on December 31 of each year. For purposes of this section, "unobligated balance" means that amount, which shall not be less than zero, determined by the department, in the year-end financial statement submitted to the Controller, to be the total of all unencumbered funds on

June 30 of that calendar year, less the total of all of the following:

(1) Any fund in the reserve account for emergencies established by Section 25354.

(2) Any remaining principal of the loan authorized by Section 25332.

(3) Any interest due on any remaining principal of the loan authorized by Section 25332.

(4) Any funds paid as taxes for the following fiscal year.

(5) Any funds received from the federal government pursuant to the federal act.

(6) Any funds in the state account subject to the rebate specified in Section 25347.2.

(7) Any interest accruing from funds deposited in the subaccount for site operation and maintenance established by Section 25330.5.

(8) Any funds received from responsible parties for remedial and removal action, except to the extent those funds are necessary to reimburse the state account for funds previously expended therefrom.

(9) Any funds deposited into a sinking fund to ensure the repayment of principal on, and interest of, bonds pursuant to Section 25385.9.

25385.9. Notwithstanding any other provision of law, the board shall pay the principal of, and interest on, the bonds from the Hazardous Substance Clearing Account, using the following sources, in the following order of priority:

(a) Money derived from the premium and the accrued interest on bonds which are sold.

(b) Recoveries from responsible parties of costs incurred for removal or remedial actions at sites listed pursuant to Section 25356, insofar as the removal or remedial action expenditures were paid from proceeds from bonds issued pursuant to this article.

(c) Funds received pursuant to the federal act which are designated to be used for removal or remedial actions paid for by proceeds from bonds issued pursuant to this article.

(d) Any money transferred from the state account.

(e) Any money transferred from the trust fund.

(f) Any money derived from any other source, as provided by law.

(g) The General Fund.

25386. Notwithstanding Section 25386.5, the money deposited in the fund is available for transfer to the General Fund if money was deposited in the fund pursuant to any provision of law requiring repayments to the state for assistance financed by the proceeds of the bonds issued pursuant to this article. When transferred to the General Fund, that money shall be applied as a reimbursement to the General Fund for the principal and interest payments on the bonds which have been paid from the

General Fund.

25386.1. There is hereby appropriated from the General Fund in the State Treasury, for the purpose of this article, an amount equal to the sum of all of the following:

(a) The sum, annually, which will be necessary to pay the principal of, and the interest on, the bonds issued and sold pursuant to this article, as the principal and interest become due and payable.

(b) The sum which is necessary to carry out Section 25385.2, which sum is appropriated without regard to fiscal years, notwithstanding Section 13340 of the Government Code.

25386.2. For the purpose of carrying out this article, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of amounts not to exceed the amount of the unsold bonds which the committee has, by resolution, authorized to be sold for the purpose of carrying out this article. Any amounts withdrawn shall be deposited in the fund and shall be disbursed by the board in accordance with this article. Any moneys made available pursuant to this section shall be returned to the General Fund from moneys received from the sale of bonds sold for the purpose of carrying out this article.

25386.3. Upon the request of the board, and supported by a statement of the proposed actions to be taken pursuant to Section 25385.6, the committee shall determine whether it is necessary or desirable to issue any bonds authorized pursuant to this article in order to take these actions, and if so, the amount of bonds which should be issued and sold. Successive issues of bonds may be authorized and sold to take these actions progressively, and it is not necessary that all of the bonds authorized by this article to be issued are sold at any one time.

25386.4. The committee may authorize the Treasurer to sell all, or any part of, the bonds authorized under this article at the time or times as may be fixed by the Treasurer.

25386.5. Except as provided in subdivision (c) of Section 25385.3 and Section 25386, all proceeds from the sale of bonds, except those derived from premiums and accrued interest, are available for the purposes specified in Section 25385.6, but are not available for transfer to the General Fund to pay the principal of, and interest on, the bonds.

25386.6. If, before July 1, 1991, all outstanding bonds issued pursuant to this article are paid for and the General Fund has been reimbursed for any and all amounts that were expended therefrom to repay the principal of, and interest on, these bonds, this article shall become inoperative on that earlier date.

SEC. 19. Section 25395 of the Health and Safety Code is amended to read:

25395. (a) Except as provided in subdivisions (b) and (c), this chapter, including, but not limited to, the tax imposed by Section 25345, shall remain in effect only until July 1, 1991, and as of that

date is repealed, unless a later enacted statute, which is enacted before July 1, 1991, deletes or extends that date.

(b) On July 1, 1991, the Department of Finance shall submit a report to the Secretary of State which states whether the principal of, and interest on, the bonds sold pursuant to Article 7.5 (commencing with Section 25385) have been paid and the General Fund has been reimbursed for any and all amounts that were expended therefrom to pay the principal of, and interest on, those bonds. If the report states that the bonds have not been paid and the General Fund has not been reimbursed, then, notwithstanding subdivision (a), Article 1 (commencing with Section 25300), Article 2 (commencing with Section 25310), Article 3 (commencing with Section 25330), Article 4 (commencing with Section 25340), Article 6 (commencing with Section 25360), and Article 7.5 (commencing with Section 25385) shall not be repealed and shall remain in effect until the date specified in subdivision (c).

(c) If the articles specified in subdivision (b) remain in effect after July 1, 1991, pursuant to subdivision (b), on the date when the principal of, and interest on, the bonds sold pursuant to Article 7.5 (commencing with Section 25385) have been paid and the General Fund has been reimbursed for any and all amounts that were expended therefrom to pay the principal of, and interest on, those bonds, the Department of Finance shall submit a report to the Secretary of State containing that information. The articles specified in subdivision (b) shall be repealed on the date when that report is submitted.

(d) If the articles specified in subdivision (b) remain in effect after July 1, 1991, the committee, as defined in Section 25385.1, may determine the amount of the tax revenues to be collected annually pursuant to Section 25345, which amount may be less than, but shall not exceed, fifteen million dollars ($15,000,000). The committee shall also inform the State Board of Equalization, on March 1 of each calendar year, of the amount of the tax revenues which will be collected for the previous calendar year.

SEC. 20. Sections 1 to 19, inclusive, of this act shall take effect upon the adoption by the voters of the Hazardous Substance Cleanup Bond Act of 1984, as set forth in Section 18 of this act.

SEC. 21. Notwithstanding any other provision of law, including, but not limited to, Section 3525 of the Elections Code, if this act is chaptered on or before July 10, 1984, Section 18 of this act shall be submitted to the voters at the November 6, 1984, General Election in accordance with provisions of the Government Code and the Elections Code governing submission of statewide measures to the voters at a statewide election.

If this act is chaptered after July 10, 1984, Section 18 of this act shall be submitted to the voters at the next statewide election occurring at least 131 days after the effective date of this act in acccordance with provisions of the Government Code and the

Elections Code governing submission of statewide measures to the voters at a statewide election.

SEC. 22. Notwithstanding any other provision of law, all ballots of the election shall have printed thereon and in a square thereof, the words: "Hazardous Substance Cleanup Bond Act" and, in the same square under those words, the following in 8-point type: "This act provides for a bond issue of one hundred million dollars ($100,000,000) to provide funds for hazardous substance cleanup." Opposite the square, there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against the act.

SEC. 23. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 24. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to submit the Johnston-Filante Hazardous Substance Cleanup Bond Act of 1984 to the voters at the November 6, 1984, General Election, it is necessary that this act take effect immediately.

CHAPTER 377

An act to add Chapter 15 (commencing with Section 13999) to Division 7 of the Water Code, relating to financing a program of aid to public agencies in the planning, design, and construction of facilities for the control and prevention of water pollution and for water reclamation and water conservation through the issuance and sale of bonds of the State of California and by providing for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 15 (commencing with Section 13999) is added to Division 7 of the Water Code, to read:

CHAPTER 15. CLEAN WATER BOND LAW OF 1984

13999. This chapter shall be known and may be cited as the Clean Water Bond Law of 1984.

13999.1. The Legislature finds and declares as follows:

(a) Clean water is essential to the public health, safety, and welfare.

(b) Clean water fosters the beauty of California's environment, the expansion of industry and agriculture, maintains fish and wildlife, and supports recreation.

(c) California's abundant lakes and ponds, streams and rivers, coastline, and groundwater are threatened with pollution, which could threaten public health and impede economic and social growth if left unchecked.

(d) The state's growing population has increasing needs for clean water supplies and adequate treatment facilities.

(e) It is of paramount importance that the limited water resources of the state be protected from pollution, conserved, and reclaimed whenever possible to ensure continued economic, community, and social growth.

(f) The chief cause of water pollution is the discharge of inadequately treated waste into the waters of the state.

(g) Local agencies have the primary responsibility for construction, operation, and maintenance of facilities to cleanse our waters.

(h) Rising costs of construction and technological changes have pushed the cost of constructing treatment facilities beyond the reach of local agencies alone.

(i) Because water knows no political boundaries, it is desirable for the state to contribute to construction of these facilities in order to meet its obligations to protect and promote the health, safety, and welfare of its people and environment.

(j) Voluntary, cost-effective capital outlay water conservation programs can help meet the growing demand for clean water supplies.

(k) (1) It is the intent of this chapter to provide necessary funds to ensure the full participation by the state under the federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.) and any acts amendatory thereof or supplementary thereto.

(2) It is also the intent of this chapter to provide special assistance to small communities to construct facilities necessary to eliminate water pollution and public health hazards.

(3) It is the further intent of this chapter to provide funds for state participation in the financing of the development and implementation of programs and systems for water reclamation.

(4) It is the further intent of this chapter to provide funds for voluntary, cost-effective capital outlay water conservation programs cooperatively carried out by public agencies and the department.

13999.2. As used in this chapter, and for purposes of this chapter

as used in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), the following words shall have the following meanings:

(a) "Committee" means the Clean Water Finance Committee created by Section 13999.4.

(b) "Board" means the State Water Resources Control Board.

(c) "Fund" means the 1984 State Clean Water Bond Fund.

(d) "Municipality" shall have the same meaning as in the federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.) and shall also include the state or any agency, department, or political subdivision thereof.

(e) "Treatment works" shall have the same meaning as in the federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.).

(f) "Construction" shall have the same meaning as in the federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.).

(g) "Eligible project" means a project for the construction of treatment works which is all of the following:

(1) Necessary to prevent water pollution.

(2) Eligible for federal assistance, whether or not federal funds are then available.

(3) Certified by the board as entitled to priority over other treatment works, and which complies with applicable water quality standards, policies, and plans.

(h) "Eligible water reclamation project" means a water reclamation project which is cost-effective when compared to the development of other new sources of water, and for which no federal assistance is currently available. These projects or activities shall comply with applicable water quality standards, policies, and plans.

(i) "Federal assistance" means funds available to a municipality, either directly or through allocation by the state, from the federal government to construct treatment works pursuant to the federal Clean Water Act.

(j) "Small community" means a municipality with a population of 5,000 persons or less, or a reasonably isolated and divisible segment of a larger municipality encompassing 5,000 persons or less, with a financial hardship as defined by the board.

(k) "Supplemental state assistance" means a grant given to a qualifying small community, in addition to the normal federal and state contributions, to reduce the local share of a project.

(*l*) "Federal Clean Water Act" means the existing federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.) and any acts amendatory thereof or supplementary thereto.

(m) "Voluntary, cost-effective capital outlay water conservation programs" mean those feasible capital outlay measures to improve the efficiency of water use through benefits which exceed their costs. The programs include, but are not limited to, leak detection and repair within the water distribution and consumption system, distribution and installation of new and replacement water conserving fixtures and devices, valve repair and replacement,

meter calibration and replacement, physical improvements to achieve corrosion control, irrigation system improvements to reduce leakage which results in the loss of otherwise usable water, tailwater pumpback recovery systems, construction of small reservoirs within irrigation systems which conserve water which has already been captured for irrigation use, and other physical improvements to irrigation systems. In each case, the department shall determine that there is a net savings of water as a result of each proposed project and that the project is cost-effective.

(n) "Department" means the Department of Water Resources.

13999.3. There is in the State Treasury the 1984 State Clean Water Bond Fund, which fund is hereby created. There shall be established in the fund a Clean Water Construction Grant Account for the purpose of implementing Section 13999.8, a Small Communities Assistance Account for the purpose of implementing Section 13999.9, a Water Reclamation Account for the purpose of implementing Section 13999.10 and a Water Conservation Account for the purpose of implementing Section 13999.11.

13999.4. There shall be a Clean Water Finance Committee consisting of the Governor or his designated representative, the Controller, the Treasurer, the Director of Finance, and the Executive Director of the State Water Resources Control Board. The Clean Water Finance Committee shall be the "committee" as that term is used in the State General Obligation Bond Law.

13999.5. (a) The committee is hereby authorized and empowered to create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of three hundred twenty-five million dollars ($325,000,000), in the manner provided in this chapter. The debt or debts, liability or liabilities, shall be created for the purpose of providing the fund to be used for the object and work specified in this section and in Sections 13999.6, 13999.8, 13999.9, 13999.10, 13999.11, and 13999.14.

(b) The board is authorized to enter into contracts with municipalities having authority to construct, operate, and maintain treatment works and reclamation projects, for grants and loans to the municipalities to aid in the construction of eligible projects and eligible water reclamation projects and may adopt rules and regulations necessary to carry out the provisions of this chapter.

(c) As approved by the Legislature annually in the Budget Act, the board may, by contract or otherwise, undertake plans, surveys, research, development, and studies necessary, convenient, or desirable to carry out the purposes of this division, and may prepare recommendations with regard thereto, including the preparation of comprehensive statewide or areawide studies and reports on the collection, treatment, and disposal of waste under a comprehensive cooperative plan.

(d) As approved by the Legislature annually in the Budget Act, the board may expend bond funds necessary for administration of this chapter.

(e) Not more than 5 percent of the money deposited in the fund may be used for purposes of subdivisions (c) and (d).

(f) As approved by the Legislature annually in the Budget Act, the department may direct grants and loans to any public agency or, by contract or otherwise, undertake plans, surveys, research, development, and studies necessary, convenient, or desirable to carry out voluntary, cost-effective capital outlay water conservation programs.

(g) The board may expend funds necessary to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code.

13999.6. All bonds which have been duly sold and delivered constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is pledged for the punctual payment of both principal and interest.

There shall be collected annually in the same manner, and at the same time as other state revenue is collected, the sum, in addition to the ordinary revenues of the state, required to pay the principal and interest on the bonds. It is the duty of all officers charged by law with any duty in regard to the collection of that revenue to perform each and every act which is necessary to collect this additional sum.

All money deposited in the fund which has been derived from premium and accrued interest on bonds sold is available for transfer to the General Fund as a credit to expenditures for bond interest.

13999.7. The State General Obligation Bond Law is adopted for the purpose of the issuance, sale, and repayment of, and other matters with respect to, the bonds authorized by this chapter. The provisions of that law are included in this chapter as though set out in full in this chapter, except that, notwithstanding any provision in the State General Obligation Bond Law, the bonds authorized under this chapter shall bear the rates of interest, or maximum rates, fixed from time to time by the Treasurer with the approval of the committee. The maximum maturity of the bonds shall not exceed 50 years from the date of the bonds or from the date of each respective series. The maturity of each respective series shall be calculated from the date of the series.

13999.8. (a) The sum of two hundred fifty million dollars ($250,000,000) of the money in the fund shall be deposited in the Clean Water Construction Grant Account and is appropriated for grants and loans to municipalities to aid in construction of eligible projects and the purposes set forth in this section.

(b) If the federal Clean Water Act authorizes a federal loan program for providing assistance for construction of treatment works, which requires state matching funds, the board may establish a State Water Pollution Control Revolving Fund to provide loans in accordance with the federal Clean Water Act. The board, with the approval of the committee, may transfer funds from the Clean Water Construction Grant Account to the revolving fund for the purposes of meeting federal requirements for state matching funds.

(c) Any contract entered into pursuant to this section may include such provisions as may be determined by the board, provided that any contract concerning an eligible project shall include, in substance, all of the following provisions:

(1) An estimate of the reasonable cost of the eligible project.

(2) An agreement by the board to pay to the municipality, during the progress of construction or following completion of construction as agreed upon by the parties, an amount which equals at least 12½ percent of the eligible project cost determined pursuant to federal and state laws and regulations.

(3) An agreement by the municipality to proceed expeditiously with, and complete, the eligible project; commence operation of the treatment works upon completion and to properly operate and maintain the works in accordance with applicable provisions of law; apply for and make reasonable efforts to secure federal assistance for the eligible project; secure the approval of the board before applying for federal assistance in order to maximize the assistance received in the state; and provide for payment of the municipality's share of the cost of the eligible project.

(d) The board may, with the approval of the committee, transfer moneys in the Clean Water Construction Grant Account to the State Water Quality Control Fund, to be made available for loans to public agencies pursuant to Chapter 6 (commencing with Section 13400).

(e) Grants may be made pursuant to this section to reimburse municipalities for the state share of construction costs for eligible projects which received federal assistance, but which did not receive an appropriate state grant due solely to depletion of the State Clean Water and Water Conservation Fund created pursuant to the Clean Water and Water Conservation Bond Law of 1978 (Chapter 12.5 (commencing with Section 13955)). Eligibility for reimbursement under this section is limited to the actual construction capital costs incurred.

(f) To the extent funds are available, if the federal share of construction funding under Title II of the federal Clean Water Act is reduced below 75 percent, unicipalities otherwise eligible for a grant under this section shall also be entitled to a loan from the Clean Water Construction Grant Account of up to 12½ percent of the eligible project cost.

(g) To the extent funds are available, if the federal Clean Water Act authorizes a federal loan program for providing assistance for construction of treatment works, the board may make those loans in accordance with the federal Clean Water Act and state law. The Legislature may enact legislation that it deems necessary to implement the state loan program.

(h) Notwithstanding any other provision of law, and to the extent funds are available, if federal funding under Title II of the federal Clean Water Act ceases, municipalities shall only be entitled to a loan from the Clean Water Construction Grant Account of 25 percent of the eligible project cost.

(i) All loans pursuant to this section are subject to all of the following provisions:

(1) Municipalities seeking a loan shall demonstrate, to the satisfaction of the board, that an adequate opportunity for public participation regarding the loan has been provided.

(2) Any election held with respect to the loan shall include the entire municipality except where the municipality proposes to accept the loan on behalf of a specified portion, or portions, of the municipality, in which case the referendum shall be held in that portion or portions of the municipality only.

(3) Any loan made pursuant to this section shall be up to 25 years with an interest rate set annually by the board at 50 percent of the average interest rate paid by the state on general obligation bonds for the calendar year immediately preceding the year in which the loan agreement is executed.

(4) The first thirty million dollars ($30,000,000) in principal and interest from loans made pursuant to this section shall be paid to the Water Reclamation Account. All remaining principal and interest from the loans shall be returned to the Clean Water Construction Grant Account for new obligations.

13999.9. (a) The sum of forty million dollars ($40,000,000) of the money in the fund shall be deposited in the Small Communities Assistance Account and is appropriated for supplemental state assistance to small communities for construction of treatment works eligible for assistance under Title II of the federal Clean Water Act.

(b) Notwithstanding subdivision (c) of Section 13999.5, the board may make grants to small communities so that the combined federal and state grant is an amount up to 97½ percent of pollution studies, the total estimated cost of planning, design, and construction determined in accordance with applicable state laws and regulations. No supplemental state assistance grant under this section shall be made for projects costing more than two million five hundred thousand dollars ($2,500,000) unless a finding is made by the board that a higher cost project is the most cost-effective solution to a water quality or public health problem.

(c) Any contract entered into pursuant to this section may include such provisions as may be determined by the board, provided that any contract shall include the provisions required by paragraphs (1) and (3) of subdivision (c) of Section 13999.8.

13999.10. (a) The sum of twenty-five million dollars ($25,000,000) of the money in the fund shall be deposited in the Water Reclamation Account and is appropriated for loans to municipalities for eligible water reclamation projects which will provide water for beneficial uses.

The board may loan a municipality up to 100 percent of the total eligible costs of design and construction of a reclamation project.

(b) Any contract for an eligible water reclamation project entered into pursuant to this section may include such provisions as determined by the board and shall include both of the following

provisions:

(1) An estimate of the reasonable cost of the eligible water reclamation project.

(2) An agreement by the municipality to proceed expeditiously with, and complete, the eligible water reclamation project; commence operation of the project in accordance with applicable provisions of law; provide for payment of the municipality's share of the cost of the project, including principal and interest on any state loan made pursuant to this section; and, if appropriate, apply for and make reasonable efforts to secure federal assistance, other than that available pursuant to the federal Clean Water Act, for the state-assisted project.

(c) Loan contracts may not provide for a moratorium on payments of principal or interest.

(d) Any loans made from the Water Reclamation Account shall be for a period of up to 25 years with an interest rate set annually by the board at 50 percent of the average interest rate paid by the state on general obligation bonds in the calendar year immediately preceding the year in which the loan agreement is executed. All principal and interest from loans shall be returned to the Water Reclamation Account for new loans.

(e) Funds available under this section may be used for loans pursuant to subdivisions (f), (g), and (h) of Section 13999.8 if the Clean Water Construction Grant Account is depleted. All principal and interest on any such loans shall be repaid to the Water Reclamation Account.

(f) No single project may receive more than ten million dollars ($10,000,000) from the board.

13999.11. (a) Ten million dollars ($10,000,000) of the money in the fund shall be deposited in the Water Conservation Account and shall be available for appropriation by the Legislature for loans to municipalities to aid in the conduct of voluntary, cost-effective capital outlay water conservation programs and the purposes set forth in this section. Notwithstanding subdivision (e) of Section 13999.5 and subdivision (f) of this section, all of the funds deposited in the Water Conservation Account by this subdivision shall be available for water conservation programs. None of the funds deposited in the Water Conservation Account by this subdivision shall be expended for costs of administration.

(b) Any contract entered into pursuant to this section may include provisions as may be determined by the department. However, any contract concerning an eligible, voluntary, cost-effective capital outlay water conservation program shall include, in substance, all of the following:

(1) An estimate of the reasonable cost and benefit of the program.

(2) An agreement by the public agency to proceed expeditiously with, and complete, the program.

(c) Loan contracts may not provide a moratorium on payments of principal or interest.

(d) Any loans made from the Water Conservation Account shall be for a period of up to 25 years with an interest rate set annually by the board at 50 percent of the average interest rate paid by the state on general obligation bonds in the calendar year immediately preceding the year in which the loan agreement is executed. All principal and interest from loans shall be deposited in the Water Conservation Account for new obligations.

(e) No single project may receive more than five million dollars ($5,000,000) from the department.

(f) As approved by the Legislature annually in the Budget Act, the department may expend up to 5 percent of the funds in the Water Conservation Account for the administration of this section.

13999.12. Except as expressly provided in this chapter, no money deposited in the fund pursuant to any provision of law requiring repayments to the state for assistance financed by the proceeds of the bonds authorized by this chapter shall be available for transfer to the General Fund.

13999.13. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this chapter an amount equal to the sum of the following:

(1) The sum necessary annually to pay the principal of and the interest on the bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(2) The sum necessary to carry out Section 13999.14 which is appropriated without regard to fiscal years.

13999.14. For the purpose of carrying out this chapter, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has authorized to be sold for the purpose of carrying out this chapter. Any amounts withdrawn shall be deposited in the fund and shall be disbursed by the board in accordance with this chapter. Any money made available under this section to the board or department shall be returned to the General Fund from money received from the sale of bonds. The withdrawals from the General Fund shall be returned to the General Fund with interest at the rate which would have otherwise been earned by those sums in the Pooled Money Investment Fund.

13999.15. Upon request of the board or department, the committee shall determine whether or not it is necessary or desirable to issue bonds authorized under this chapter in order to make those arrangements, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to make those arrangements progressively, and it shall not be necessary that all of the bonds authorized to be issued shall be sold at any one time.

13999.16. The committee may authorize the Treasurer to sell all or any part of the bonds at times fixed by the Treasurer.

SEC. 2. Section 1 of this act shall take effect upon the adoption by the voters of the Clean Water Bond Law of 1984, as set forth in

Section 1 of this act.

SEC. 3. Notwithstanding Section 3525 of the Elections Code, Section 1 of this act shall be submitted to the voters in accordance with provisions of the Government Code and the Elections Code governing submission of statewide measures to the voters at a statewide election, at the general election, to be held throughout the state on the sixth day of November 1984, and shall appear as the first proposition on the ballot.

SEC. 4. Notwithstanding any other provision of law, all ballots of the election shall have printed thereon and in a square thereof, the words: " Clean Water Bond Law of 1984," and in the same square under those words, the following in 8-point type: "This act provides for a bond issue of three hundred twenty-five million dollars ($325,000,000) to provide funds for water pollution control, water conservation, and water reclamation projects and activities." Opposite the square, there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against the act. Where the voting in the election is done by means of voting machines used pursuant to law in a manner that carries out the intent of this section, the use of the voting machines and the expression of the voters' choice by means thereof are in compliance with this section.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for the Clear Water Bond Law of 1984 to be submitted to the voters at the 1984 general election so that vitally needed water pollution control facilities may be provided at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 378

An act to add Chapter 10.2 (commencing with Section 13810) to Division 7 of the Water Code, relating to financing a program to provide aid in the planning, design, and construction of facilities for the protection of domestic water supplies through the issuance and sale of bonds of the State of California and by providing for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 10, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 10.2 (commencing with Section 13810) is added to Division 7 of the Water Code, to read:

CHAPTER 10.2. CALIFORNIA SAFE DRINKING WATER BOND LAW OF 1984

13810. This chapter shall be known and may be cited as the California Safe Drinking Water Bond Law of 1984.

13811. The Legislature hereby finds and declares that it is necessary for the preservation of the health, safety, and welfare of the people of California that water supplied for domestic purposes be pure, wholesome, and potable and does not endanger the health or lives of human beings and that water is available in adequate quantity at sufficient pressure for health, cleanliness, and other domestic purposes.

13812. The Legislature further finds and declares that a number of domestic water supply systems are inadequate and do not meet minimum bacteriological, chemical, or other basic health standards for domestic water supplies, and that it is in the interest of the people that the State of California provide technical and financial assistance to the end that the people of California are assured a safe, dependable, and potable supply of water for domestic purposes and that water is available in adequate quantity at sufficient pressure for health, cleanliness, and other domestic purposes.

13813. The Legislature further finds and declares that it is the intent of the Legislature to provide for the upgrading of domestic water supply systems to assure that all domestic water supplies at least meet minimum domestic water supply standards established under Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code.

13814. The State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code) is adopted for the purpose of the issuance, sale, and repayment of, and otherwise providing with respect to, the bonds authorized to be issued pursuant to this chapter, and the provisions of that law are included in this chapter as though set out in full in this chapter, except that notwithstanding anything in the State General Obligation Bond Law, the bonds authorized hereunder shall bear the rates of interest, or maximum rates, as may, from time to time, be fixed by the Treasurer, with the approval of the committee, and the maximum maturity of bonds shall not exceed 50 years from the date of the bonds, or from the date of each respective series. The maturity of each respective series shall be calculated from the date of the series.

13815. As used in this chapter, and for purposes of this chapter as used in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), the following terms shall have the following meanings:

(a) "Committee" means the Safe Drinking Water Finance Committee created by Section 13816.

(b) "Department" means the Department of Water Resources.

(c) "Domestic water system" means a system for the provision to the public of piped water for human consumption, if the system has at least 15 service connections or regularly supplies water to at least 25 individuals. The term includes any water supply, treatment, storage, and distribution facilities under the control of the operator of the system.

(d) "Fund" means the California Safe Drinking Water Fund.

(e) "Supplier" or "supplier of water" means any person, partnership, corporation, association, or other entity or political subdivision of the state which owns or operates a domestic water system.

(f) "Federal assistance" means funds available, or which may become available, to a supplier either directly or through allocation by the state from the federal government as grants or loans for the improvement of domestic water systems.

(g) "Treatment works" means any devices or systems used in the treatment of water supplies, including necessary lands, which render water supplies pure, wholesome, and potable for domestic purpose.

(h) "Project" means proposed facilities for the construction, improvement, or rehabilitation of the domestic water system, and may include water supply, treatment works, and all or part of a water distribution system, if necessary to carry out the purpose of this chapter.

13816. The Safe Drinking Water Finance Committee is hereby created. The committee shall consist of the Governor, the Treasurer, the Director of Finance, the Director of Water Resources, and the State Director of Health Services or their designated representatives. A majority of the committee may act for the committee.

13817. There is in the State Treasury the California Safe Drinking Water Fund, which fund is hereby created.

13818. The committee may create a debt or debts, liability or liabilities, of the State of California, in an aggregate amount of seventy-five million dollars ($75,000,000) in the manner provided in this chapter. The debt or debts, liability or liabilities, shall be created for the purpose of providing the money to be used for the objects and works specified in Section 13819.

13819. (a) The moneys in the fund are hereby continuously appropriated and shall be used for the purposes set forth in this section.

(b) The department may enter into contracts with suppliers having authority to construct, operate, and maintain domestic water systems, for loans to suppliers to aid in the construction of projects which will enable the supplier to meet, at a minimum, safe drinking water standards established pursuant to Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code.

(c) Any contract entered into pursuant to this section may include provisions as agreed by the parties thereto, and the contract shall include, in substance, all of the following provisions:

(1) An estimate of the reasonable cost of the project.

(2) An agreement by the department to loan to the supplier, during the progress of construction or following completion of construction as agreed by the parties, an amount which equals the portion of construction costs found by the department to be eligible for a state loan.

(3) An agreement by the supplier to repay the state over a period not to exceed 50 years, (A) the amount of the loan, (B) the administrative fee as described in Section 13830, and (C) interest on the principal, which is the amount of the loan plus the administrative fee.

(4) An agreement by the supplier, (A) to proceed expeditiously with, and complete, the project, (B) to commence operation of the project upon completion thereof, and to properly operate and maintain the project in accordance with the applicable provisions of law, (C) to apply for, and make reasonable efforts, to secure federal assistance for the project, (D) to secure approval of the department and of the State Department of Health Services before applying for federal assistance in order to maximize and best utilize the amounts of that assistance available, and (E) to provide for payment of the supplier's share of the cost of the project, if any.

(d) Bond proceeds may be used for a grant program in accordance with this chapter, with grants provided to suppliers that are political subdivisions of the state that are otherwise unable to meet minimum safe drinking water standards established pursuant to Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code. The total amount of grants made pursuant to this chapter shall not exceed twenty-five million dollars ($25,000,000). The Legislative Analyst shall review the grant program and report to the Legislature not later than June 1, 1987.

(e) Notwithstanding any other provision, the proceeds of any bonds authorized to be issued under the California Safe Drinking Water Bond Law of 1976 (Chapter 10.5 (commencing with Section 13850)), which are unissued and uncommitted on the effective date of this chapter, shall be used for loans to suppliers in accordance with the terms, conditions, and purposes of this chapter.

13820. (a) The department may make state grants to suppliers that are political subdivisions of the state, from moneys in the fund available for that purpose pursuant to subdivision (d) of Section 13819, to aid in the construction of projects which will enable the public agency to meet, at a minimum, safe drinking water standards established pursuant to Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code. A grant may be made by the department only upon the specific approval of the Legislature, by an act enacted after the receipt of a report filed pursuant to Section 13822.

(b) Any contract for a grant entered into pursuant to this chapter may include provisions as agreed by the parties thereto, and the contract shall include, in substance, all of the following provisions:

(1) An estimate of the reasonable cost of the project.

(2) An agreement by the department to grant to the public agency, during the progress of construction or following completion of construction as agreed by the parties, an amount which equals the portion of construction costs found by the department to be eligible for a state grant.

(3) An agreement by the public agency, (A) to proceed expeditiously with, and complete, the project, (B) to commence operation of the project upon completion thereof, and to properly operate and maintain the project in accordance with the applicable provisions of law, (C) to apply for, and make reasonable efforts to secure, federal assistance for the project, (D) to secure approval of the department and of the State Department of Health Services before applying for federal assistance in order to maximize and best utilize the amounts of that assistance available, and (E) to provide for payment of the public agency's share of the cost of the project, if any.

13821. Applications for grants under this chapter shall be made to the department in the form and with the supporting material as prescribed by the department.

13822. The department shall prepare a report on each grant application pursuant to this chapter. The report shall be filed with the Legislature, if it is in session or, if it is not in session, with the Rules Committee of the Assembly and Senate. The department shall be authorized to make the grant only upon the specific approval of the grant by the Legislature, by an act enacted after the receipt of the report from the department.

13823. (a) Loans and grants may be made only for projects for domestic water systems. The department may make reasonable allowance for future water supply needs and may provide for additional capacity when excessive costs would be incurred by later enlargement. The loans and grants may be made for all, or any part, of the cost of constructing, improving, or rehabilitating any system when, in the judgment of the State Department of Health Services, improvement or rehabilitation is necessary to provide pure, wholesome, and potable water in adequate quantity at sufficient pressure for health, cleanliness, and other domestic purposes. No single public agency shall receive grants pursuant to this chapter totaling more than four hundred thousand dollars ($400,000). Loans may be made to provide for the purchase of a water system or the purchase of watershed lands. No loan to an individual supplier shall exceed the sum of five million dollars ($5,000,000), unless the Legislature by an act raises the limit specified in this section.

(b) Upon receipt of an application for a grant or loan pursuant to this chapter, the department shall propose to the applicant improvements to the applicant's water development, distribution,

and utilization system which will conserve water in a cost-effective manner. These improvements may include, but need not be limited to, leak detection and repair programs, valve repair and replacement, meter calibration and replacement, physical improvements to achieve corrosion control, distribution and installation of water conservation devices and fixtures, and other capital improvements which can be demonstrated to conserve water in a cost-effective manner. The department and applicant may agree to include these capital improvements in the grant or loan. Failure by the applicant to include water conservation capital improvements in the grant or loan application shall not be sufficient cause for the department to refuse to make the grant or loan.

13824. An application for a grant pursuant to this chapter shall not be approved by the department, unless the department determines that the public agency is otherwise unable to meet minimum safe drinking water standards established pursuant to Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code.

No grant shall be made by the department except upon approval by the State Department of Health Services of project plans submitted by the applicant and upon issuance to the public agency of a permit or amended permit as specified in Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code.

13825. First priority for grants shall be granted to public agencies having immediate health related problems, as certified by the State Department of Health Services. Additional high priority shall be granted to projects to correct immediate problems, as opposed to grants for construction of projects to meet future growth needs.

13826. First priority for loans shall be given to suppliers with the most critical public health problems. Priority for loans shall also be given to suppliers which have a lesser capability to reasonably finance system improvements.

13827. Preliminary design work, including a cost estimate for the project, shall be completed before a loan or grant is awarded. Operation and maintenance costs shall be the responsibility of the supplier and may not be considered as part of the project cost. Costs for planning and preliminary engineering studies may be reimbursed following the receipt of a loan or grant subject to approval by the department and the State Department of Health Services.

13828. No application for a grant may be made pursuant to this chapter unless the public agency has also applied for a loan pursuant to this chapter. A public agency shall be eligible for a grant only to the extent that the department finds that the agency is found unable to repay the full costs of a loan.

If the department has determined that the applicant is unable to repay the full costs of a loan, the applicant may also file for a grant. Upon receipt of a grant application, the department shall determine

that portion of the full costs that the applicant is capable of repaying. Grant funds shall only be provided for that portion that the applicant is not capable of repaying.

13829. Grant funds shall be expended by the public agency within three years of the making of the grant. No grant funds may be expended by the public agency unless the public agency is able to demonstrate to the department, within one year of the making of the grant, supported by an acceptable bid, that the amount to be expended for the project will be within 20 percent of the public agency's cost estimate for the project.

13830. For the purpose of administering of this chapter, the total expenditures of the department and the State Department of Health Services may not exceed 4 percent of the total amount of the bonds authorized to be issued under this chapter. The department shall establish a reasonable schedule of administrative fees for loans, which fees shall be paid by the supplier pursuant to Section 13819, to reimburse the state for the costs of state administration of this chapter.

Charges incurred by the Attorney General in protecting the state's interests in the use and repayment of grant and loan funds under this chapter, and under the California Safe Drinking Water Bond Law of 1976 (Chapter 10.5 (commencing with Section 13850)), shall be paid from the proceeds of bond sales under this chapter. These charges shall not be paid be from the 4 percent allocated for administrative purposes, but shall be treated as a program expense not to exceed 1.5 percent of the total amount of the bonds authorized to be sold under this chapter.

13831. As much of the moneys in the fund as may be necessary shall be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code.

13832. Repayment of all or part of the principal, which is the loan plus the administrative fee, may be deferred during a development period not exceeding 10 years within the maximum 50-year repayment period, when, in the department's judgment, the development period is justified under the circumstances. Interest on the principal shall not be deferred. Repayment of principal which is deferred during a development period may, at the option of the supplier, be paid in annual installments during the remainder of the loan repayment period.

13833. The department shall require the payment of interest on each loan that is made pursuant to this chapter at a rate equal to the average, as determined by the Treasurer, of the net interest cost to the state on the sales of general obligation bonds pursuant to this chapter. However, when the applicable average of the net interest costs to the state is not a multiple of one-tenth of 1 percent, the interest rate shall be at the multiple of one-tenth of 1 percent next above the applicable average of the net interest costs.

13834. The department, after public notice and hearing and with

the concurrence of the State Department of Health Services, shall adopt rules and regulations necessary to carry out the purposes of this chapter. The regulations shall include, but not be limited to, criteria and procedures for establishing the eligibility of a supplier.

It is the duty of the department to adopt rules and regulations that, in its judgment, will most effectively carry out the provisions of this chapter in the public interest, to the end that the people of California are most efficiently and most economically provided supplies of pure, wholesome, and potable domestic water. The rules and regulations may provide for the denial of funds when the purposes of this chapter may most economically and efficiently be attained by means other than the construction of the proposed project.

13835. The State Department of Health Services shall notify suppliers that may be eligible for loans pursuant to this chapter of (a) the purposes of this chapter and (b) the rules and regulations adopted by the department.

13836. The State Department of Health Services, after public notice and hearing and with the advice of the department, shall, from time to time, establish a priority list of suppliers to be considered for financing.

13837. Upon approval by the State Department of Health Services of project plans submitted by a supplier on the priority list and upon issuance to the supplier of a permit or amended permit as specified in Chapter 7 (commencing with Section 4010) of Part 1 of Division 5 of the Health and Safety Code, the department may enter into a contract with the supplier.

13838. Not more than twenty million dollars ($20,000,000) of state loans for projects shall be authorized by the department in a single calendar quarter. No contract shall be approved by the department, unless the department finds that the supplier has the capacity to repay the loan amounts specified in the contract.

At the request of the department, the Public Utilities Commission shall furnish comments concerning the ability of suppliers subject to its jurisdiction to finance the project from other sources and the ability to repay the loan.

13839. All bonds authorized, which have been duly sold and delivered pursuant to this chapter, shall constitute valid and legally binding general obligations of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest thereon.

There shall be collected annually in the same manner, and at the same time as other state revenue is collected, a sum, in addition to the ordinary revenues of the state, that is required to pay the principal and interest on the bonds, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of that revenue, to do and perform each and every act which shall be necessary to collect that additional sum.

All money deposited in the fund which has been derived from premium on bonds sold is available for transfer to the General Fund

as a credit to expenditures for bond interest.

13840. All money repaid to the state pursuant to any contract executed under Section 13819 shall be deposited in the General Fund and, when so deposited, shall be applied as a reimbursement to the General Fund on account of principal and interest on bonds issued pursuant to this chapter which has been paid from the General Fund.

13841. There is hereby appropriated from the General Fund in the State Treasury, for the purpose of this chapter, an amount equal to the sum of the following:

(a) The amount annually necessary to pay the principal of, and the interest on, the bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The amount necessary to carry out Section 13842, which amount is appropriated without regard to fiscal years.

13842. For the purpose of carrying out this chapter, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which the committee has, by resolution, authorized to be sold for the purpose of carrying out this chapter.

Any amounts withdrawn shall be deposited in the fund and shall be disbursed by the department in accordance with this chapter. Any money made available under this section to the department shall be returned by the department to the General Fund from money received from the first sale of bonds sold for the purpose of carrying out this chapter subsequent to the withdrawal.

13843. Upon request of the department, supported by a statement of the proposed arrangements to be made pursuant to Section 13819 for the purposes stated therein, the committee shall determine whether or not it is necessary or desirable to issue any bonds authorized under this chapter in order to make those arrangements, and, if so, the amount of bonds then to be issued and sold. Successive issues of bonds may be authorized and sold to make those arrangements progressively, and it shall not be necessary that all of the bonds authorized to be issued shall be sold at any one time.

13844. The committee may authorize the Treasurer to sell all or any part of the bonds authorized at the time or times as fixed by the Treasurer.

13845. All proceeds from the sale of bonds, except those derived from premiums and accrued interest, are available for the purpose provided in Section 13819, but are not available for transfer to the General Fund to pay principal and interest on bonds. The money in the fund may be expended only as provided in this chapter.

SEC. 2. Section 1 of this act shall take effect upon the adoption by the voters of the California Safe Drinking Water Bond Law of 1984, as set forth in Section 1 of this act.

SEC. 3. Section 1 of this act shall be submitted to the voters, in accordance with provisions of the Government Code and the Elections Code governing submission of statewide measures to the voters at a statewide election, at the general election, to be held

throughout the state on the sixth day of November 1984.

SEC. 4. Notwithstanding any other provision of law, all ballots of the election shall have printed thereon and in a square thereof, the words: "California Safe Drinking Water Bond Law of 1984," and in the same square under those words, the following in 8-point type: "This act provides for a bond issue of seventy-five million dollars ($75,000,000) to provide funds for improvement of domestic water systems to meet minimum drinking water standards." Opposite the square there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against the act.

Where the voting in the election is done by means of voting machines used pursuant to law in a manner to carry out the intent of this section, the use of the voting machines and the expression of the voters' choice by means thereof are in compliance with this section.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for this act to be submitted to the voters at the 1984 General Election so as to insure that water supplied for domestic purposes is pure, wholesome, and potable at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 379

An act to amend Section 4706 of the Civil Code, and to amend Sections 11490, 11491, and 11492 of, and to add Section 11492.1 to, the Welfare and Institutions Code, relating to child support, and making an appropriation therefor.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 11, 1984.]

I am deleting the appropriation contained in Section 6 of Senate Bill No 964

I support this bill to make absent parents more responsible for the health care costs of their children who receive Medi-Cal benefits. However, since the funding to implement this bill is already included in the 1984 Budget Act, I am eliminating the appropriations specified in this bill

With this deletion, I approve Senate Bill No 964.

George Deukmejian, Governor

The people of the State of California do enact as follows:

SECTION 1. Section 4706 of the Civil Code is amended to read:

4706. In any action for support brought under this chapter, or pursuant to Article 7 (commencing with Section 11475) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code, the judge shall consider the medical insurance coverage, if any, of the

parties to the action.

SEC. 2. Section 11490 of the Welfare and Institutions Code is amended to read:

11490. In all actions under this article, in which a financial declaration is required, the declaration shall include a statement of medical insurance coverage for all parties affected by the action. This statement of medical insurance coverage shall be a completed state medical insurance form. The state medical insurance form shall include, but shall not be limited to, the name, address, and social security number of the responsible parent, name and address of the responsible parent's place of employment, name or names, addresses, policy number or numbers, and coverage type of the responsible parent's medical insurance policy, or policies, if any, and names and Medi-Cal identification numbers of the parties covered by the medical insurance policy or policies. A copy of all medical insurance forms shall be forwarded by the clerk of the court to the district attorney's office for forwarding to the State Department of Health Services for purposes of recovery of the amount due the Health Care Deposit Fund as a result of payments made under Chapter 7 (commencing with Section 14000) or Chapter 8 (commencing with Section 14200).

SEC. 3. Section 11491 of the Welfare and Institutions Code is amended to read:

11491. Upon issuance of a court order for child support, the judge shall inquire about medical insurance coverage of the parties to the action and require the responsible party to complete a state medical insurance form. This form shall be required only in those cases where any child involved in the action is known to be an applicant for, or recipient of, aid under Chapter 7 (commencing with Section 14000) or Chapter 8 (commencing with Section 14200). The state medical insurance form shall include the name, address, and social security number of the responsible party, name and address of the responsible party's place of employment, name or names and policy number or numbers, addresses, and type of coverage of the responsible parent's medical insurance policy or policies, if any, names and Medi-Cal case numbers of the parties covered by the medical insurance policy or policies. A copy of all medical insurance forms shall be forwarded by the clerk of the court to the district attorney's office for forwarding to the State Department of Health Services for purposes of recovery of amounts due the Health Care Deposit Fund as a result of payments made under Chapter 7 (commencing with Section 14000) or Chapter 8 (commencing with Section 14200). The judge shall order insurance at a reasonable annual cost to the responsible party as determined by the court so long as payments of the insurance premium or premiums shall not reduce the amount of child support.

SEC. 4. Section 11492 of the Welfare and Institutions Code is amended to read:

11492. In any action under this article in which child support is

or may be at issue and a summons and complaint or a notice of motion is served, the summons and complaint or notice of motion shall be served in conjunction with a state medical insurance form. No responsive pleadings may be filed without also filing a completed medical insurance form. In addition, the district attorney's office, when processing a child support case wherein a summons and complaint or notice of motion is not served, shall obtain, at any time during that processing, a properly completed state medical insurance form. This shall apply only to actions brought by the district attorney where any child involved in the action is known to be an applicant for or recipient of aid under Chapter 7 (commencing with Section 14000) or Chapter 8 (commencing with Section 14200).

The state medical insurance form shall include, but not be limited to, the name, address, and social security number of the responsible parent, the name and address of the responsible parent's place of employment, the name, address, and policy number or numbers of the responsible parent's insurance policy, and the names and Medi-Cal identification numbers of the dependents covered by the policy or policies.

The district attorney shall forward properly completed state medical insurance forms to the State Department of Health Services for purposes of recovery of amounts due the Health Care Deposit Fund as a result of payments made under Chapter 7 (commencing with Section 14000) or Chapter 8 (commencing with Section 14200).

SEC. 5. Section 11492.1 is added to the Welfare and Institutions Code, to read:

11492.1. The county district attorney shall receive reimbursement from the State Department of Health Services for the administrative costs for properly completing a state medical insurance form which identifies private health care coverage of a responsible parent for dependent children only in those cases where the district attorney does not receive this reimbursement from the State Department of Social Services. The administrative costs for properly completing the state medical insurance form shall be determined by the State Department of Health Services.

SEC. 6. Upon request of the State Department of Health Services, the Director of Finance shall transfer funds in an amount not to exceed seventy-eight thousand three hundred dollars ($78,300) from category (b) to category (a) of Item 4260-101-001 of the Budget Act of 1984; in an amount not to exceed thirty-nine thousand two hundred dollars ($39,200) from category (b) of Item 4260-101-001 of the Budget Act of 1984 to Item 4260-001-001 of the Budget Act of 1984; in an amount not to exceed seventy-one thousand seven hundred dollars ($71,700) from category (b) to category (a) of Item 4260-101-890 of the Budget Act of 1984; and in an amount not to exceed sixty thousand eight hundred dollars ($60,800) from category (b) of Item 4260-101-890 of the Budget Act of 1984 to Item 4260-001-890 of the Budget Act of 1984. The funds so transferred shall be available for encumbrance by the State Department of Health

Services to do all of the following:

(1) Implement the Absent Parents' Medical Insurance Support Program provisions of this act.

(2) Provide for county administrative expenses to pay counties for the identification of medical insurance assets and proper completion of the State Medical Insurance Form.

(3) Provide for state staff support and other state expenses to implement, monitor, and evaluate the program and to provide technical assistance to county staff.

In conformance with Section 6 of Article 13(b) of the California Constitution, this act provides a mechanism for obtaining reimbursement for any costs mandated upon local agencies by the provisions of this act.

CHAPTER 380

An act to add Section 12940.1 to the Government Code, relating to employment.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 11, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 12940.1 is added to the Government Code, to read:

12940.1. For the purposes of paragraph (1) of subdivision (a) of Section 12940, it shall be presumed that an individual with heart trouble, as referred to in Section 3212 of the Labor Code, applying for either a firefighter position or participation in an apprenticeship training program leading to employment in that position, where the actual duties require physical, active fire suppression, or a law enforcement position, the principal duties of which clearly consist of active law enforcement, could not perform his or her duties in a manner which would not endanger his or her health or safety or the health or safety of others. This presumption may be overcome by the applicant or the department proving, by a preponderance of the evidence, that the applicant would be able to safely perform the job. Law enforcement, for the purposes of this section, means police officer, deputy sheriff, or sheriff whose principal duties consist of active law enforcement service.

CHAPTER 381

An act to amend Section 1367.15 of the Health and Safety Code, and to amend Section 10195 of the Insurance Code, relating to insurance.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1367.15 of the Health and Safety Code is amended to read:

1367.15. Plan contracts, except the contracts of plans which are federally qualified health maintenance organizations pursuant to Title XIII of the United States Public Health Service Act, which primarily or solely supplement Medicare or are advertised or represented as a supplement to Medicare shall, in addition to complying with the provisions of this chapter and rules of the commissioner:

(a) Meet the minimum benefit standards as established by the Commissioner of Corporations and Insurance Commissioner jointly.

(b) Provide an examination period of 30 days for purposes of review of the contract at which time the subscriber may return the contract. Such return shall void the policy from the beginning, and the parties shall be in the same position as if no policy or contract had been issued. All premiums paid and any policy fee paid for the policy shall be refunded to the owner.

(c) Explain the relationship of the coverage under the contract to the benefits provided by Medicare.

(d) Not be limited to coverage exclusively for a single disease or affliction.

(e) If the plan contract or policy does not cover custodial care, on and after January 1, 1985, the cover page of the outline of coverages required by subdivision (c) shall contain the statement in upper case type: THIS POLICY DOES NOT COVER CUSTODIAL CARE IN A SKILLED NURSING CARE FACILITY.

SEC. 2. Section 10195 of the Insurance Code is amended to read:

10195. "Insurance policies to supplement Medicare" refers to disability insurance policies and nonprofit hospital service plan contracts which are designed primarily to supplement Medicare, or are advertised, marketed, or otherwise purported to be a supplement to Medicare and, which are issued on a group or individual basis.

(a) Insurance policies to supplement Medicare shall:

(1) Meet the minimum benefit standards as established by the Insurance Commissioner.

(2) Notwithstanding Section 10276, or any other provision of law, provide an examination period of 30 days for purposes of review of

the contract at which time the subscriber may return the contract. Such return shall void the policy from the beginning, and the parties shall be in the same position as if no policy or contract had been issued. All premiums paid and any policy fee paid for the policy shall be refunded to the owner.

(3) Require insurers and plans to explain the relationship of the coverage of their policies to the benefits provided by Medicare.

(4) Not be limited to coverage exclusively for a single disease or affliction.

(5) If the policy does not cover custodial care, on and after January 1, 1985, the cover page of the outline of coverage required by subdivision (g) shall contain the statement in upper case type: THIS POLICY DOES NOT COVER CUSTODIAL CARE IN A SKILLED NURSING CARE FACILITY.

(6) Comply with the provisions of subdivision (b) of Section 10291.5 and Chapter 7 (commencing with Section 10600) of Part 2 of Division 2, regardless of the situs of the contract.

(b) The commissioner shall issue reasonable regulations to establish specific standards for policy provisions of insurance policies to supplement Medicare. Such standards shall be in addition to and in accordance with applicable laws of this state, including provisions of subdivision (b) of Section 10291.5 and Chapter 7 (commencing with Section 10600) of Part 2 of Division 2.

(c) The commissioner may issue reasonable regulations that specify prohibited policy provisions not otherwise specifically authorized by statute which, in the opinion of the commissioner, are unjust, unfair, or unfairly discriminatory to any person insured or proposed for coverage under insurance policies to supplement Medicare.

(d) Notwithstanding any other provision of law, insurance policies to supplement Medicare shall not deny a claim for losses incurred more than six months from the effective date of coverage for a preexisting condition. A policy shall not define a preexisting condition more restrictively than a condition for which medical advice was given or treatment was recommended by or received from a physician within six months before the effective date of coverage.

(e) Insurance policies to supplement Medicare shall return to policyholders benefits which are reasonable in relation to the premium charged. The commissioner shall issue reasonable regulations to establish minimum standards for loss ratios of insurance policies to supplement Medicare on the basis of incurred claims experience and earned premiums for the entire period for which rates are computed to provide coverage and in accordance with accepted actuarial principles and practices. The commissioner may establish different loss ratios for group policies of insurance than for individual policies of insurance. For purposes of regulations issued pursuant to this section, insurance polices to supplement Medicare issued as a result of solicitations of individuals through the

mail or mass media advertising, including both print and broadcast advertising, shall be considered individual policies.

(f) In addition to Chapter 7 (commencing with Section 10600) of Part 2 of Division 2, and in order to provide for full and fair disclosure in the sale of Medicare supplemental policies, no insurance policy to supplement Medicare shall be delivered or issued for delivery in this state and no certificate shall be delivered pursuant to a group Medicare supplemental policy delivered or issued for delivery in the state unless an outline of coverage is delivered to the applicant at the time application is made.

(g) The commissioner shall prescribe the format and content of the outline of coverage required by subdivision (f). For purposes of this section, "format" means style, arrangement, and overall appearance, including such items as the size, color, and prominence of type and the arrangement of text and captions. Such outline of coverage shall include all of the following:

(1) A description of the principal benefits and coverage provided in the policy.

(2) A statement of the exceptions, reductions, and limitations contained in the policy.

(3) A statement of the renewal provisions including any reservation by the insurer of a right to change premiums.

(4) A statement that the outline of coverage is a summary of the policy issued or applied for and that the policy should be consulted to determine governing contractual provisions.

(h) The commissioner may prescribe by regulation a standard form, and the contents of, an informational brochure for persons eligible for Medicare by reasons of age which is intended to improve the buyer's ability to select the most appropriate coverage and improve the buyer's understanding of Medicare. Except in the case of direct response insurance policies, the commissioner may require by regulation that the information brochure be provided to any prospective insured eligible for Medicare concurrently with delivery of the outline of coverage. With respect to direct response insurance policies, the commissioner may require by regulation that the prescribed brochure be provided upon request to any prospective insured eligible for Medicare by reason of age, but in no event later than the time of policy delivery.

(i) The commissioner may promulgate reasonable regulations for captions or notice requirements, determined to be in the public interest and designed to inform prospective insureds that particular insurance coverages are not insurance policies to supplement Medicare, for all accident and sickness insurance policies sold to persons eligible for Medicare by reason of age, other than insurance policies to supplement Medicare, disability income policies, basic, catastrophic, or major medical expense policies or single premium, nonrenewable policies.

(j) The commissioner may promulgate reasonable regulations to govern the full and fair disclosure of information in connection with

the replacement of accident and sickness policies, subscriber contracts, or certificates by persons eligible for Medicare by reason of age.

This section shall not apply to policies issued to one or more employers or labor organizations, or to the trustees of a fund established by one or more employers or labor organizations, or combination thereof, for employees or former employees, or combination thereof, or for members or former members, or combination thereof, of the labor organization.

This section shall not apply to individual policies or contracts issued pursuant to a conversion privilege under a policy or contract of group or individual insurance when the group or individual policy or contract includes provisions which are inconsistent with the requirements of this section.

SEC. 2. In enacting this act, it is the intent of the Legislature that the statement required pursuant to paragraph (5) as added to subdivision (a) of Section 10195 of the Insurance Code by this act shall not be interpreted so as to affect the validity of any other exclusion provided in any insurance policy to supplement Medicare.

CHAPTER 382

An act to amend Section 25607 of the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 25607 of the Business and Professions Code is amended to read:

25607. (a) Except as provided in subdivision (b), it is unlawful for any person or licensee to have upon any premises for which a license has been issued any alcoholic beverages other than the alcoholic beverage which the licensee is authorized to sell at the premises under his or her license. It shall be presumed that all alcoholic beverages found or located upon premises for which licenses have been issued belong to the person or persons to whom the licenses were issued. Every person violating the provisions of this section is guilty of a misdemeanor. The department may seize any alcoholic beverages found in violation of this section.

(b) A bona fide public eating place for which an on-sale beer and wine license has been issued may have upon the premises brandy, rum, or liqueurs for use solely for cooking purposes.

CHAPTER 383

An act to amend Section 256 of, and to repeal Section 257 of, the Financial Code, relating to banks, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 256 of the Financial Code is amended to read:

256. On or before May 31 of each year the superintendent shall, through the Secretary of the Business and Transportation Agency, report to the Governor and to the Legislature. The report shall be printed by the State Printer, and shall contain the following:

(a) An aggregate abstract of condition for the preceding calendar year showing assets and liabilities and shareholders' equity of all banks and trust companies required to report to the superintendent.

(b) A statement of all banks and trust companies authorized by the superintendent to do business during the preceding calendar year, giving their names and locations, and the date on which they commenced to transact a banking or trust business.

(c) A statement of the banks and trust companies whose business has been closed during the preceding calendar year.

(d) The names of banks and trust companies in process of liquidation under the superintendent's supervision and the amount of dividends paid thereon.

(e) The names and compensation of all persons employed by the department, as of the preceding December 31, the receipts and expenses of the department during the fiscal year ending the preceding June 30, and the balance in the State Banking Fund at the end of the fiscal year.

(f) Any amendments to the laws affecting banks or trust companies or the department which in the superintendent's judgment may be desirable.

(g) A summary of the condition of every bank under the superintendent's supervision as of the preceding December 31.

(h) Such other information as in the superintendent's judgment may prove useful.

SEC. 2. Section 257 of the Financial Code is repealed.

SEC. 3. For purposes of Section 256 of the Financial Code, as amended by Section 1 of this act, in the case of the report which is due on or before May 31, 1985, any reference to the period of the preceding calendar year shall be deemed to refer to the period commencing July 1, 1983, and ended December 31, 1984.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within

the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The banks which are regulated by the Superintendent of Banks typically issue their annual reports on a calendar year basis. In addition, the federal bank regulatory agencies issue their reports on a calendar year basis. Therefore, changing the annual report of the superintendent from a fiscal year basis to a calendar year basis will conform the time frame of the annual report of the superintendent to the time frame followed by the banks which are regulated by the superintendent as well as the time frame followed by the federal bank regulatory agencies and will provide for a report which will allow more accurate comparisons of data which will be more useful to the Governor, the Legislature, and the public.

The next annual report of the superintendent on a fiscal year basis is due by October 31, 1984. Unless this act takes effect before that date, the conversion of the annual report of the superintendent from a fiscal year basis to a calendar year basis will be delayed until May of 1986. Therefore, in order to avoid undue delay in converting the annual report of the superintendent from a fiscal year basis to a calendar year basis, it is necessary that this act take effect immediately.

CHAPTER 384

An act to amend Section 25210.4 of the Government Code, relating to county service areas.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 25210.4 of the Government Code is amended to read:

25210.4. A county service area may be established under this chapter to provide any one or more of the following types of extended service within such area:

(a) Extended police protection.

(b) Structural fire protection.

(c) Local park, recreation or parkway facilities and services.

(d) Any other governmental services, hereinafter referred to as miscellaneous extended services, which the county is authorized by law to perform and which the county does not also perform to the same extent on a countywide basis both within and without cities, if:

(1) The board of supervisors determines that such services should be provided on an extended basis within a county service area; or

(2) Such services are specified in a request or a petition for the initiation of proceedings for the formation of a county service area

or in a request or a petition for the initiation of proceedings for the furnishing of additional types of services within a county service area.

(e) Extended library facilities and services.

(f) Television translator station facilities and services, if:

(1) The number of station facilities to be erected by the service area will not exceed six.

(2) The number of television channels provided by the service area will not exceed 10.

(g) Low-power television services.

At the time of the adoption of the resolution of intention to establish a county service area the board of supervisors shall specify the type or types of services which are proposed to be provided within the area pursuant to this chapter.

CHAPTER 385

An act to add Section 904.3 to the Code of Civil Procedure, relating to corporations.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 904.3 is added to the Code of Civil Procedure, to read:

904.3. Where a corporation, which is a wholly owned corporate entity operated as a sole proprietorship, is a party to an appeal to the superior court from a small claims action, it may appear through a director, an officer, or an employee, whether or not that person is an attorney at law if that person is the owner of the corporation.

CHAPTER 386

An act to amend Sections 18502, 18503, and 18506 of the Health and Safety Code, relating to mobilehome parks.

[Approved by Governor July 10, 1984 Filed with Secretary of State July 11, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 18502 of the Health and Safety Code is amended to read:

18502. Fees as applicable shall be submitted for permits:

(a) Fees for a permit to conduct any construction subject to this part as determined by the schedule of fees adopted by the

department.

(b) Plan checking fees equal to one-half of the construction, plumbing, mechanical, and electrical permit fees, except that the minimum fee shall be ten dollars ($10).

(c) Except for a temporary recreational vehicle park, an annual operating permit fee of twenty-five dollars ($25) and an additional two dollars ($2) per lot or two dollars ($2) per camping party for the maximum number of camping parties to be accommodated at any one time in an incidental camping area.

(d) Temporary recreational vehicle park operating permit fee of twenty-five dollars ($25), with no additional fee for the lots.

(e) Change in name fee or transfer of ownership or possession fee of ten dollars ($10).

(f) Duplicate permit fee or amended permit fee of ten dollars ($10).

SEC. 2. Section 18503 of the Health and Safety Code is amended to read:

18503. (a) Except as otherwise provided in subdivision (b), the department by administrative rule and regulation shall establish a schedule of fees relating to all construction, mechanical, electrical, plumbing, and installation permits. The fees shall apply to and be paid to the enforcement agency. Fees established for construction, mechanical, electrical, plumbing, and installation permits shall be reasonably consistent with the current edition of the Uniform Building Code as published by the International Conference of Building Officials, the Uniform Plumbing Code as published by the International Association of Plumbing and Mechanical Officials, and the National Electrical Code as published by the National Fire Protection Association.

(b) Fees for construction, mechanical, electrical, plumbing, and installation permits in temporary recreational vehicle parks shall be determined by the enforcement agency for each such project, based on the cost of administration and enforcement, including the cost of determining the amount of fees to be charged.

SEC. 3. Section 18506 of the Health and Safety Code is amended to read:

18506. Permits to operate shall be issued annually by the enforcement agency. A copy of each permit to operate shall be forwarded to the department. No permit to operate shall be issued for a mobilehome park when the previous operating permit has been suspended by the enforcement agency until the violations which were the basis for the suspension have been corrected. No mobilehome park which was in existence on September 15, 1961, shall be denied a permit to operate if the mobilehome park complied with the law which this part supersedes. Permits to operate shall be issued for a 12-month period and invoiced according to a method and schedule established by the department. Permit applications returned to the enforcement agency 30 days after the due date shall be subject to a penalty fee equal to 10 percent of the established fee.

The penalty fee for submitting a permit application 60 or more days after the due date shall equal 100 percent of the established permit fee. These penalties and the established permit fees shall be paid prior to issuance of the permit, and the fee and 100 percent penalty shall be due upon demand of the enforcement agency for any park which has not applied for a permit.

CHAPTER 387

An act to amend Section 1029 of the Government Code, relating to public officers and employees.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1029 of the Government Code is amended to read:

1029. (a) Except as provided in subdivision (b), (c), or (d) any person who has been convicted of a felony in this state or any other state, or who has been convicted of any offense in any other state which would have been a felony if committed in this state, is disqualified from holding office or being employed as a peace officer of the state, county, city, city and county or other political subdivision, whether with or without compensation, and is disqualified from any office or employment by the state, county, city, city and county or other political subdivision, whether with or without compensation, which confers upon the holder or employee the powers and duties of a peace officer.

(b) Any person who has been convicted of a felony, other than a felony punishable by death, in this state or any other state, or who has been convicted of any offense in any other state which would have been a felony, other than a felony punishable by death, if committed in this state, and who demonstrates the ability to assist persons in programs of rehabilitation may hold office and be employed as a parole officer of the Department of Corrections or the Department of the Youth Authority, or as a probation officer in a county probation department, if he or she has been granted a full and unconditional pardon for the felony or offense of which he or she was convicted. Notwithstanding any other provision of law, the Department of Corrections or the Department of the Youth Authority, or a county probation department, may refuse to employ any such person regardless of his or her qualifications.

(c) Nothing in this section shall be construed to limit or curtail the power or authority of any board of police commissioners, chief of police, sheriff, mayor, or other appointing authority to appoint, employ, or deputize any person as a peace officer in time of disaster

caused by flood, fire, pestilence or similar public calamity, or to exercise any power conferred by law to summon assistance in making arrests or preventing the commission of any criminal offense.

(d) Nothing in this section shall be construed to prohibit any person from holding office or being employed as a superintendent, supervisor, or employee having custodial responsibilities in an institution operated by a probation department, if at the time of the person's hire a prior conviction of a felony was known to the person's employer, and the class of office for which the person was hired was not declared by law to be a class prohibited to persons convicted of a felony, but as a result of a change in classification, as provided by law, the new classification would prohibit employment of a person convicted of a felony.

CHAPTER 388

An act to amend Sections 4004 and 4004.5 of the Penal Code, relating to prisoners.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 11, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 4004 of the Penal Code is amended to read:

4004. A prisoner committed to the county jail for examination, or upon conviction for a public offense, must be actually confined in the jail until he is legally discharged; and if he is permitted to go at large out of the jail, except by virtue of a legal order or process, it is an escape; provided, however, that during the pendency of a criminal proceeding, the superior court or an inferior court, as the case may be, before which said proceeding is pending may make a legal order, good cause appearing therefor, for the removal of the prisoner from the county jail in custody of the sheriff. In judicial districts where there is a marshal, the marshal shall maintain custody of such prisoner while he is in the municipal court facility pursuant to such court order. The superior court of the county may make a legal order, good cause appearing therefor, for the removal of prisoners confined in the county jail, after conviction, in the custody of the sheriff.

If facilities are no longer available in the county jail due to crowded conditions, a sheriff may transfer a person committed to the county jail upon conviction for a public offense to facilities which are available in the city jail, as provided for in Section 4004.5.

SEC. 2. Section 4004.5 of the Penal Code is amended to read:

4004.5. (a) A city may furnish facilities to be used for holding prisoners held for examination or during trial without cost to the county or upon such terms as may be agreed upon by the governing body of such city and the board of supervisors, and the marshal or

constable may keep such prisoners in their custody in such city jail.

(b) A city may furnish facilities to be used for holding persons convicted of a public offense who have been transferred from the county jail by the sheriff due to crowded conditions upon such terms as may be agreed upon by the governing body of such city and the board of supervisors. The agreed terms may indicate that the facilities are to be provided free of charge to the county.

CHAPTER 389

An act to amend Section 35231 of the Food and Agricultural Code, relating to milk.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 35231 of the Food and Agricultural Code is amended to read:

35231. The initial fee for a tester's, sampler's and weigher's, technician's, pasteurizer's, and butter grader's license is as follows:

(a) For a tester's license, including a nonfat milk solids tester, twenty-five dollars ($25).

(b) For a sampler's and weigher's license, fifteen dollars ($15).

(c) For a technician's license, fifty dollars ($50).

(d) For a pasteurizer's license, fifteen dollars ($15).

(e) For a butter grader's license, ten dollars ($10).

(f) For the renewal of any of the licenses, ten dollars ($10) for a two-year period.

CHAPTER 390

An act to amend Section 81009 of the Government Code, relating to the Political Reform Act, to take effect immediately, urgency statute.

[Approved by Governor July 10, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 81009 of the Government Code is amended to read:

81009. (a) Statements of organization, registration statements of lobbyists, and original campaign statements of persons holding elective state office, candidates for any such office, committees

supporting any such officeholder or candidate, and committees supporting or opposing statewide measures, shall be retained by filing officers indefinitely.

(b) Original campaign statements of mayors, city council members, county supervisors, candidates for any of these offices, and committees supporting any officeholder or candidate shall be retained indefinitely, except that original campaign statements of candidates not elected to these offices and of committees supporting candidates not elected to these offices shall be retained by filing officers for a period of not less than five years.

(c) Original campaign statements of all other persons shall be retained by filing officers for a period of not less than seven years.

(d) Original statements of economic interests of persons holding statewide elective office shall be retained by filing officers indefinitely.

(e) Original reports and statements not specified above in this section shall be retained by filing officers for a period of not less than seven years.

(f) Copies of reports or statements shall be retained by the officer with whom they are filed for a period of not less than four years, provided, however, that a filing officer is not required to retain more than one copy of a report or statement.

(g) After an original report or statement or a copy has been on file for at least two years, the officer with whom it is filed may comply with this section by retaining a copy on microfilm or other space-saving materials available for public inspection. Upon request, the officer shall provide copies of such statements pursuant to Section 81008.

SEC. 2. The Legislature finds and declares that the provisions of this act further the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Cities and counties will be required to expend funds for new and expanded filing systems to store these records unless the requirements are modified.

CHAPTER 391

An act to add Article 5r (commencing with Section 998.063) to Chapter 6 of Division 4 of the Military and Veterans Code, relating to financing of a program to provide farm and home aid for veterans in accordance with the Veterans' Farm and Home Purchase Act of 1974, and acts amendatory thereof and supplemental thereto,

through the issuance and sale of bonds of the State of California and by providing for the disposition of those funds, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Article 5r (commencing with Section 998.063) is added to Chapter 6 of Division 4 of the Military and Veterans Code, to read:

Article 5r. Veterans Bond Act of 1984

998.063. This article may be cited as the Veterans Bond Act of 1984.

998.064. The State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), except as otherwise provided herein, is adopted for the purpose of the issuance, sale, and repayment of, and otherwise providing with respect to, the bonds authorized to be issued by this article, and the provisions of that law are included in this article as though set out in full in this article. All references in this article to "herein" refer both to this article and that law.

998.065. As used herein, the following words shall have the following meanings:

(a) "Bond" means veterans bond, a state general obligation bond issued pursuant to this article adopting the provisions of the State General Obligation Bond Law.

(b) "Committee" means the Veterans' Finance Committee of 1943.

(c) "Board" means the Department of Veterans Affairs.

(d) "Fund" means the Veterans' Farm and Home Building Fund of 1943.

(e) "Bond Act" means this article authorizing the issuance of state general obligation bonds and adopting the State General Obligation Bond Law by reference.

998.066. For the purpose of creating a fund to provide farm and home aid for veterans in accordance with the Veterans' Farm and Home Purchase Act of 1974 (Article 3.1 (commencing with Section 987.50)), and of all acts amendatory thereof and supplemental thereto, the committee may create a debt or debts, liability or liabilities, of the State of California, in the aggregate amount of not more than six hundred fifty million dollars ($650,000,000) in the manner provided herein.

998.067. All bonds authorized by this article, when duly sold and delivered as provided herein, constitute valid and legally binding general obligations of the State of California, and the full faith credit

of the State of California is hereby pledged for the punctual payment of both principal and interest thereof.

There shall be collected annually in the same manner and at the same time as other state revenue is collected a sum of money, in addition to the ordinary revenues of the state, sufficient to pay the principal and interest on these bonds as provided herein, and all officers required by law to perform any duty in regard to the collection of state revenues shall collect this additional sum.

On the dates on which funds are remitted pursuant to Section 16676 of the Government Code for the payment of the then maturing principal and interest of the bonds in each fiscal year, there shall be returned into the General Fund all of the money in the Veterans' Farm and Home Building Fund of 1943, not in excess of the principal of and interest on any bonds then due and payable, except as herein provided for the prior redemption of the bonds, and, if the money so returned on the remittance dates is less than the principal and interest then due and payable, the balance remaining unpaid shall be returned into the General Fund out of the Veterans' Farm and Home Building Fund of 1943 as soon as it shall become available, together with interest thereon from the dates of maturity until so returned at the same rate of interest as borne by the bonds, compounded semiannually

998.068. There is hereby appropriated from the General Fund, for purposes of this article, a sum of money that will equal both of the following:

(a) That sum annually necessary to pay the principal of, and the interest on, the bonds issued and sold as provided herein, as that principal and interest become due and payable.

(b) That sum necessary to carry out Section 998.069, appropriated without regard to fiscal years.

998.069. For purposes of this article, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of a sum of money not to exceed the amount of the unsold bonds which have been authorized to be sold by this article. Any sums withdrawn shall be deposited in the Veterans' Farm and Home Building Fund of 1943. All money made available under this article to the board shall be returned by the board to the General Fund from receipts from the sale of bonds sold under this article, together with interest at the rate of interest fixed in the bonds so sold.

998.070. Upon request of the board, supported by a statement of its plans and projects approved by the Governor, the committee shall determine whether to issue any bonds authorized under this article in order to carry out the board's plans and projects, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out these plans and projects progressively, and it is not necessary that all the bonds be issued or sold at any one time.

998.071. So long as any bonds authorized under this article are outstanding, the Director of Veterans Affairs shall, at the close of

each fiscal year, require a survey of the financial condition of the Division of Farm and Home Purchases, together with a projection of the division's operations, to be made by an independent public accountant of recognized standing. The results of each survey and projection shall be reported in writing by the public accountant to the Director of Veterans Affairs, the California Veterans Board, and the committee.

The Division of Farm and Home Purchases shall reimburse the public accountant for these services out of any money which the division may have available on deposit with the Treasurer.

998.072. The committee may authorize the Treasurer to sell all or any part of the bonds authorized by this article at the time or times fixed by the Treasurer.

Whenever the committee deems it necessary for an effective sale of the bonds, the committee may authorize the Treasurer to sell any issue of bonds at less than their par value, notwithstanding Section 16754 of the Government Code. However, the discount on the bonds shall not exceed 3 percent of the par value thereof.

998.073. Out of the first money realized from the sale of bonds as provided herein, there shall be redeposited in the General Obligation Bond Expense Revolving Fund, established by Section 16724.5 of the Government Code, the amount of all expenditures made for the purposes specified in that section, and this money may be used for the same purpose and repaid in the same manner whenever additional bond sales are made.

SEC. 2. Section 1 of this act shall take effect upon the adoption of the people of the Veterans Bond Act of 1984, as set forth in Section 1 of this act.

SEC. 3. Notwithstanding Sections 3525 and 10218 of the Elections Code or any other provision of law, the Veterans Bond Act of 1984, as set forth in Section 1 of this act, shall be submitted to the people of the State of California for their ratification at the next General Election, to be held November 6, 1984. Section 1 of this act shall be submitted to the voters in substantial accordance with provisions of the Government Code and Elections Code governing submission of statewide measures to the voters at a statewide election.

SEC. 4. All ballots at the election shall have printed thereon and in a square thereof, the words: "Veterans Bond Act of 1984," and in the same square under the words the following in 8-point type: "This act provides for a bond issue of six hundred million dollars ($600,000,000) to provide farm and home aid for California veterans." Opposite the square, there shall be left spaces in which the voters may place a cross in the manner required by law to indicate whether they vote for or against the act. Where the voting of the election is done by means of voting machines used pursuant to law in such manner as to carry out the intent of this section, the use of the voting machines, and the expression of the voters' choice by means thereof, shall be deemed to comply with the provisions of this section.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to permit the Veterans Bond Act of 1984 authorized by this act to be submitted to the voters in 1984 so as to provide farm and home aid to California veterans as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 392

An act to add Section 22238 to the Education Code, relating to public retirement systems.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 22238 is added to the Education Code, to read:

22238. Notwithstanding any other provision of law, the board may establish a program utilizing the retirement fund to assist system members and retirants, through financing, to obtain homes in this state.

The board shall adopt regulations governing the program which shall, among other things, provide all of the following:

(a) That home loans be made available to currently employed members and retirants for the purchase of single-family dwellings, single-family cooperative apartments, and single-family condominiums.

(b) That private lending institutions in this state shall originate and service these home loans pursuant to agreements entered into between the institutions and the board.

(c) That the recipients of the loans occupy the homes as their permanent residences in accordance with rules and regulations established by the board.

(d) That home loans shall be available only for the purchase of homes in this state.

(e) That the amount and length of the loans shall be pursuant to a schedule periodically established by the board, which shall provide a loan to value ratio of a maximum of 95 percent in the case of persons purchasing their first home in this state, and 80 percent in the case of persons purchasing other than their first home; provided, however, that the portion of any loan exceeding 80 percent of value shall be insured by an admitted mortgage guaranty insurer conforming to the provisions of Chapter 2A (commencing with Section 12640.01) of Part 6 of Division 2 of the Insurance Code in an

amount so that the unguaranteed portion of the loan does not exceed 75 percent of the market value of the property together with improvements thereon.

(f) That there may be prepayment penalties assessed on loans in accordance with rules and regulations established by the board.

(g) That the criteria and terms for loans shall provide the greatest benefit to members and retirants consistent with the financial integrity of the program and the sound investment of the retirement fund.

(h) That loans shall not be made at a rate lower than the market rate.

(i) Such other terms and conditions as the board shall deem appropriate.

CHAPTER 393

An act to amend Sections 3724.5 and 3757.2 of, and to add Section 3724.35 to, the Public Resources Code, relating to geothermal resources, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 3724.35 is added to the Public Resources Code, to read:

3724.35. The supervisor may adopt regulations governing intermediate and deep wells drilled for geothermal observation purposes. The regulations may specify the content of any written program for the wells drilled for that purpose to be submitted to the supervisor for approval, the amount of the fee, if any, to be filed for each intermediate or deep well drilled or for each program, and any other matter deemed necessary by the supervisor.

SEC. 2. Section 3724.5 of the Public Resources Code is amended to read:

3724.5. To provide funds for the supervision of geothermal resource wells, the supervisor shall establish an annual well fee to be applied on an equal basis to all wells as provided under this section.

The annual well fee shall be imposed upon each producing, service, and idle well that existed at any time during the calendar year preceding the statewide fee-assessment date. However, the annual well fee shall not be imposed on any well used for observation purposes, irrespective of its depth, and any low-temperature well, including any well drilled for the purpose of filling a hot water spa or pool intended for human immersion, or any well for which the supervisor has approved suspension.

The annual well fee shall be established so that the sum of the annual well fees plus the estimated sum of those well permit fees provided in Sections 3724 and 3724.1 and pursuant to any regulation adopted under Section 3724.35 are equal to the appropriation for the supervision of geothermal resource wells as provided in the Governor's Budget. The establishment of the annual well fee shall take into account any budget adjustments for actual expenditures in the current and prior fiscal year. Any budget change proposal for support of the provisions of this chapter shall be submitted by the supervisor to geothermal operators for review and comment. A system for determining the fee and administering the fee collection shall be adopted by the supervisor by regulation after public hearing.

SEC. 3. Section 3757.2 of the Public Resources Code is amended to read:

3757.2. For the purpose of developing low-temperature geothermal resources, the supervisor may approve the exemption of any low-temperature geothermal well from Sections 3721, 3722, 3723, 3723.5, 3725.5, and 3745, if the resource is used domestically or in a noncommercial manner. The supervisor may also approve the drilling of low-temperature geothermal wells at whatever locations he deems advisable, if no well is drilled or permitted to produce which is located within 15 feet of the outer boundary of the parcel of land on which the well is situated or within 15 feet of a public road, street, or highway dedicated prior to the commencement of drilling.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that this act may expressly exempt geothermal wells drilled for observation purposes and low-temperature wells from certain fees at the earliest possible time, thereby clarifying the intent of the Legislature that the fees be imposed on geothermal wells for the production of energy, it is necessary that this act take effect immediately.

CHAPTER 394

An act to amend Sections 54774, 54775, and 54796 of the Government Code, relating to local agency formation commissions.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 54774 of the Government Code is amended to read:

54774. Among the purposes of a local agency formation

commission are the discouragement of urban sprawl and the encouragement of the orderly formation and development of local governmental agencies based upon local conditions and circumstances One of the objects of the local agency formation commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local governments in each county and to shape the development of local governmental agencies so as to advantageously provide for the present and future needs of each county and its communities.

In addition to its other powers, the local agency formation commission shall initiate and make studies of existing governmental agencies. Those studies shall include, but shall not be limited to, inventorying such agencies and determining their maximum service area and service capacities. In conducting the studies, the commission may ask for land use information, studies, and plans of cities, counties, districts, including school districts, and regional agencies and state agencies and departments. Cities, counties, districts, including school districts, regional agencies, and state agencies and departments, shall comply with the request of the commission for such information and the commission shall make its studies available to public agencies and any interested person. In making these studies, the commission may cooperate with the county planning commissions.

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities, the local agency formation commission shall develop and determine the sphere of influence of each local governmental agency within the county. As used in this section, "sphere of influence" means a plan for the probable ultimate physical boundaries and service area of a local governmental agency. Among the factors considered in determining the sphere of influence of each local governmental agency, the commission shall consider, and prepare a written statement of its findings with respect to, each of the following:

(a) The maximum possible service area of the agency based upon present and possible service capabilities of the agency.

(b) The range of services the agency is providing or could provide.

(c) The projected future population growth of the area.

(d) The type of development occurring or planned for the area, including, but not limited to, residential, commercial, and industrial development.

(e) The present and probable future service needs of the area.

(f) Local governmental agencies presently providing services to the area and the present level, range, and adequacy of services provided by those existing local governmental agencies.

(g) The existence of social and economic interdependence and interaction between the area within the boundaries of a local

governmental agency and the area which surrounds it and which could be considered within the agency's sphere of influence.

(h) The existence of agricultural lands in the area which could be considered within an agency's sphere of influence and the effect on maintaining the physical and economic integrity of those lands in the event that those lands are within a sphere of influence of a local governmental agency.

Upon determination of a sphere of influence, the commission shall adopt such sphere, and shall periodically review and update the adopted sphere.

The spheres of influence, after adoption, shall be used by the commission as a factor in making regular decisions on proposals over which it has jurisdiction. The commission may recommend governmental reorganizations to particular agencies in the county, using the spheres of influence as the basis for those recommendations. Those recommendations shall be made available, upon request, to other governmental agencies or to the public.

The commission, or the board of supervisors on behalf of the commission, is authorized to apply for, or accept, or both, any financial assistance and grants-in-aid from public or private agencies or from the state or federal government or from a local government.

SEC. 2. Section 54775 of the Government Code is amended to read:

54775. Unless the provisions or context otherwise require, the following definitions shall govern the construction of this chapter:

(a) "Affected local agency" means, in the case of an incorporation, an affected county, as defined in Section 35022, or an affected district, as defined in Section 35023; or in the case of a formation of a district, as defined in Section 2215 of the Revenue and Taxation Code, an affected city, as defined in Section 56021, an affected county, as defined in Section 56022, or an affected district, as defined in Section 56023, except that district, as used in Section 56023, shall have the same meaning as that term is defined in Section 2215 of the Revenue and Taxation Code.

(b) "City officer" means the mayor or a member of the legislative body of the city.

(c) "Commission" means a local agency formation commission created pursuant to this chapter.

(d) "County officer" means a member of the board of supervisors.

(e) "Function" means any power granted by law to a local agency or a county to provide designated governmental or proprietary services or facilities for the use, benefit, or protection of persons or property.

(f) "Independent special district" includes any special district having a legislative body, all of whose members are elected by registered voters or landowners within the district, or whose members are appointed to fixed terms, and excludes any special district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency

or who are appointees of those officers, other than those who are appointed to fixed terms. "Independent special district" does not include any district excluded from the provisions of the District Reorganization Act pursuant to the provisions of Section 56039.

(g) "Independent special district officer" means the presiding officer or a member of the legislative body of an independent special district.

(h) "Initiate" or "initiation" means, in the case of proceedings, the first procedural step authorized or required by any law for the commencement of proceedings, if the step is one of the following:

(1) The circulation of a petition requesting any proceedings.

(2) The filing with any officer of a county or a local agency of a notice of intention to circulate a petition.

(3) The adoption by a legislative body of a county or a local agency of any resolution, order, or ordinance initiating proceedings on its own motion.

(i) "Local agency" means a city or a special district.

(j) "Principal county," in the case of a special district whose territory is or will be located in two or more counties, shall have the meaning contained in any definition of "principal county," as set forth in the law pursuant to which the special district was or is proposed to be formed. If the law pursuant to which the special district was, or is proposed to be, formed contains no definition, for purposes of this chapter, "principal county" means the county having all or the greater portion of the entire assessed value, as shown on the last equalized assessment roll of the counties, of the taxable property in, or proposed to be included in, the special district.

(k) "Proceedings" means the procedure authorized and required by any law for the incorporation of a new city, the formation of a special district, the annexation of territory to a local agency or the exclusion of territory from a city, or the disincorporation of a city.

(*l*) "Proponent" means any person intending to circulate or cause the circulation of any petition.

(m) "Service" means a class established within, and as a part of, a single function, as provided by rules and regulations adopted by the commission pursuant to Article 4 (commencing with Section 54850).

(n) "Special district" means an agency of the state for the local performance of governmental or proprietary functions within limited boundaries. "Special district" does not include the state, a city, a county, or a school district. "Special district" does include a county service area but does not include a special assessment district formed under the Improvement Act of 1911, the Municipal Improvement Act of 1913, the Street Opening Act of 1903, the Vehicle Parking District Law of 1943, the Parking District Law of 1951, the Pedestrian Mall Law of 1960, or any similar assessment law, or any similar procedural ordinance adopted by a chartered city. "Special district" does not include an improvement district or zone formed for the sole purpose of designating an area which is to bear

a special tax or assessment for an improvement benefiting that area, including, but not limited to, community facilities districts formed pursuant to either of the Mello-Roos Community Facilities Acts of 1982, (Chapter 2.5 (commencing with Section 53311)), as added by Chapter 1439 or Chapter 1451 of the Statutes of 1982.

(o) "Open space" means any parcel or area of land or water which is essentially unimproved and devoted to an open-space use as defined in Section 65560.

(p) "Open-space use" means any use as defined in Section 65560.

(q) "Prime agricultural land" means land which qualifies for rating as class I or class II in the United States Soil Conservation Service land-use capability classifications or land which qualifies for rating 80 through 100 in the Storie Index Rating.

(r) "Agricultural lands" means land used for the purpose of producing an agricultural commodity for commercial purposes.

SEC. 3. Section 54796 of the Government Code is amended to read:

54796. Factors to be considered in the review of a proposal shall include but not be limited to:

(a) Population, population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.

(b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for such services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. As used in this subdivision, "services" is to be construed as referring to governmental services whether or not the services are such as would be provided by local agencies subject to this chapter, and as including the public facilities necessary to provision of services.

(c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests and on the local governmental structure of the county.

(d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development and the policies and priorities set forth in Section 54790.2.

(e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by subdivision (r) of Section 54775.

(f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

(g) Conformity with appropriate city or county general and specific plans.

(h) The "sphere of influence" of any local agency which may be applicable to the proposal being reviewed.

(i) The comments of any affected local agency.

CHAPTER 395

An act to amend Sections 627 and 627.8 of, to add Section 627.8a to, to repeal and add Sections 627.4 and 627.7 of, and to repeal Section 627.11 of, the Penal Code, relating to school crimes.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 627 of the Penal Code is amended to read:

627. (a) The Legislature finds the following:

(1) Violent crimes perpetrated on public school grounds interfere with the education of students and threaten the health and safety of teachers, other employees, and students.

(2) Many serious crimes of violence are committed on school grounds by persons who are neither students nor school employees and who are not otherwise authorized to be present on school grounds.

(3) School officials and law enforcement officers, in seeking to control these persons, have been hindered by the lack of effective legislation restricting the access of unauthorized persons to school grounds and providing appropriate criminal sanctions for unauthorized entry.

(b) The Legislature declares that the purpose of this chapter is to safeguard the teachers, other employees, students, and property of public schools. The Legislature recognizes the right to visit school grounds for legitimate nonviolent purposes and does not intend by this enactment to interfere with the exercise of that right.

(c) The Legislature finds and declares that a disproportionate share of crimes committed on school campuses are committed by persons who are neither students, school officials, or staff, and who have no lawful business on the school grounds.

It is the intent of the Legislature in enacting this chapter to promote the safety and security of the public schools by restricting and conditioning the access of unauthorized persons to school campuses and to thereby implement the provisions of Section 28 of Article 1 of the California Constitution which guarantee all students and staff the inalienable constitutional right to attend safe, secure, and peaceful public schools. It is also the intent of the Legislature that the provisions of this chapter shall not be construed to infringe

upon the legitimate exercise of constitutionally protected rights of freedom of speech and expression which may be expressed through rallies, demonstrations, and other forms of expression which may be appropriately engaged in by students and nonstudents in a campus setting.

SEC. 2. Section 627.4 of the Penal Code is repealed.

SEC. 3. Section 627.4 is added to the Penal Code, to read:

627.4. (a) The principal or his or her designee may refuse to register an outsider if he or she has a reasonable basis for concluding that the outsider's presence or acts would disrupt the school, its students, its teachers, or its other employees; would result in damage to property; or would result in the distribution or use of unlawful or controlled substances.

(b) The principal, his or her designee, or school security officer may revoke an outsider's registration if he or she has a reasonable basis for concluding that the outsider's presence on school grounds would interfere or is interfering with the peaceful conduct of the activities of the school, or would disrupt or is disrupting the school, its students, its teachers, or its other employees.

SEC. 4. Section 627.7 of the Penal Code is repealed.

SEC. 5. Section 627.7 is added to the Penal Code, to read:

627.7. It is a misdemeanor punishable by imprisonment in the county jail not to exceed six months, or by a fine not to exceed five hundred dollars ($500), or by both, for an outsider to fail or refuse to leave the school grounds promptly after the principal, designee, or school security officer has requested the outsider to leave or who fails to remain off the school grounds for 72 hours after being requested to leave, if the outsider does any of the following:

(a) Enters or remains on school grounds without having registered as required by Section 627.2.

(b) Enters or remains on school grounds after having been denied registration pursuant to subdivision (a) of Section 627.4.

(c) Enters or remains on school grounds after having registration revoked pursuant to subdvision (b) of Section 627.4.

SEC. 6. Section 627.8 of the Penal Code is amended to read:

627.8. Every outsider who willfully and knowingly violates this chapter after having been previously convicted of a violation of this chapter committed within seven years of the date of two or more prior violations that resulted in conviction, shall be punished by imprisonment in the county jail for not less than 10 days nor more than six months, or by both such imprisonment and a fine not exceeding five hundred dollars ($500).

SEC. 7. Section 627.8a is added to the Penal Code, to read:

627.8a. The penalties imposed by the provisions of this chapter shall be utilized to prevent, deter, and punish those committing crimes on school campuses. The penalties imposed by the provisions of this chapter shall not be utilized to infringe upon the legitimate exercise of constitutionally protected rights of free speech or assembly.

SEC. 8. Section 627.11 of the Penal Code is repealed.

SEC. 9. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 396

An act to amend Section 42001 of the Vehicle Code, relating to traffic offenses.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 42001 of the Vehicle Code is amended to read:

42001. (a) Except as provided in Section 42001.1, 42001.3, 42001.5, 42001.7, or 42001.9, or subdivision (b) or (c) of this section, or Article 2 (commencing with Section 42030), every person convicted of an infraction for a violation of this code or of any local ordinance adopted pursuant to this code shall be punished as follows:

(1) By a fine not exceeding one hundred dollars ($100).

(2) For a second conviction within a period of one year, a fine not exceeding two hundred dollars ($200).

(3) For a third or any subsequent conviction within a period of one year, a fine not exceeding two hundred fifty dollars ($250).

(b) Every person convicted of a misdemeanor violation of Section 2800, 2801, or 2803 insofar as they affect failure to stop and submit to inspection of equipment or for an unsafe condition endangering any person, shall be punished as follows:

(1) By a fine not exceeding fifty dollars ($50) or imprisonment in the county jail not exceeding five days.

(2) For a second conviction within a period of one year, a fine not exceeding one hundred dollars ($100) or imprisonment in the county jail not exceeding 10 days, or both that fine and imprisonment.

(3) For a third or any subsequent conviction within a period of one year, a fine not exceeding five hundred dollars ($500) or imprisonment in the county jail not exceeding six months, or both that fine and imprisonment.

(c) A pedestrian convicted of an infraction for a violation of this code or of any local ordinance adopted pursuant to this code shall be punished by a fine not exceeding fifty dollars ($50).

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 397

An act to amend Sections 4352, 4514, and 4800.6 of the Civil Code, as amended by Chapter 1159 of the Statutes of 1983, relating to termination of marriage, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 4352 of the Civil Code, as amended by Section 2 of Chapter 1159 of the Statutes of 1983, is amended to read:

4352. Every judgment declaring a marriage a nullity or dissolving a marriage shall contain the following notice:

Notice: Please review your will, insurance policies, retirement benefit plans, and other matters that you may want to change in view of the dissolution or annulment of your marriage. Ending your marriage may automatically change a disposition made by your will to your former spouse.

SEC. 2. Section 4514 of the Civil Code is amended to read:

4514. (a) No judgment entered pursuant to Section 4512 shall be final until six months have expired from the date of service of a copy of summons and petition or the date of appearance of the respondent, whichever occurs first, provided, however, the court may extend the six-month period for good cause shown. A decree declaring a marriage dissolved shall specify the date on which the decree becomes finally effective for the purpose of terminating the marriage relationship of the parties. However, if an appeal is taken from the judgment or a motion for a new trial is made, the dissolution of marriage shall not become final until such motion or appeal has been finally disposed of, nor then, if the motion has been granted or judgment reversed.

(b) Notwithstanding any other provision of law, the filing of an appeal or of a motion for a new trial shall not stay the effect of a judgment insofar as it relates to the dissolution of the marriage status restoring the parties to the status of unmarried persons, unless the appealing or moving party specifies in the notice of appeal or motion

for new trial an objection to the termination of the marriage status. No party may make such objection to the termination of the marriage status unless such an objection was also made at the time of trial.

(c) Where a joint petition under Chapter 5 (commencing with Section 4550) is thereafter revoked and either party commences a proceeding pursuant to Section 4503 within 90 days from the date of filing of the revocation, the permissible date of entry of judgment pursuant to this section shall be calculated by deducting the period of time which shall have elapsed from the date of filing the joint petition to the date of filing of the revocation.

(d) The death of either party after the entry of the judgment does not impair the power of the court to enter final judgment; but the entry shall not validate any marriage contracted by either party before the entry of such final judgment, nor constitute any defense of any criminal prosecution made against either party.

(e) The court may, upon notice and for good cause shown, or on stipulation of the parties, retain jurisdiction over the date of termination of the marital status, or may order that the marital status be terminated at a future specified date. On the date of termination of the marital status, the parties are restored to the status of unmarried persons.

SEC. 3. Section 4800.6 of the Civil Code is amended to read:

4800.6. The judgment of dissolution of marriage, or the judgment of legal separation, shall contain the following notice: "A debt or obligation may be assigned to one party as part of the division of property and debts, but if that party does not pay the debt or obligation, the creditor may be able to collect from the other party."

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to permit the Judicial Council to utilize forms already devised, it is necessary that this act go into immediate effect.

SEC. 5. The provisions of this act shall become operative on July 1, 1984, except that if this act is enacted after July 1, 1984, it shall become operative on its effective date.

CHAPTER 398

An act to amend Section 676 of the Welfare and Institutions Code, relating to juvenile court law.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 676 of the Welfare and Institutions Code is amended to read:

676. (a) Unless requested by the minor concerning whom the petition has been filed and any parent or guardian present, the public shall not be admitted to a juvenile court hearing. The judge or referee may nevertheless admit those persons he or she deems to have a direct and legitimate interest in the particular case or the work of the court. However, except as provided in subdivision (b), members of the public shall be admitted, on the same basis as they may be admitted to trials in a court of criminal jurisdiction, to hearings concerning petitions filed pursuant to Section 602 alleging that a minor is a person described in Section 602 by reason of the violation of any one of the following offenses:

(1) Murder.

(2) Arson of an inhabited building.

(3) Robbery while armed with a dangerous or deadly weapon.

(4) Rape with force or violence or threat of great bodily harm.

(5) Sodomy by force, violence, duress, menace, or threat of great bodily harm.

(6) Oral copulation by force, violence, duress, menace, or threat of great bodily harm.

(7) Any offense specified in Section 289 of the Penal Code.

(8) Kidnapping for ransom.

(9) Kidnapping for purpose of robbery.

(10) Kidnapping with bodily harm.

(11) Assault with intent to murder or attempted murder.

(12) Assault with a firearm or destructive device.

(13) Assault by any means of force likely to produce great bodily injury.

(14) Discharge of a firearm into an inhabited or occupied building.

(15) Any offense described in Section 1203.09 of the Penal Code.

(16) Any offense described in Section 12022.5 of the Penal Code committed by a minor 16 years of age or older.

(17) Any felony offense in which a minor 16 years of age or older personally used a weapon listed in subdivision (a) of Section 12020 of the Penal Code.

(18) Burglary in the nighttime or a felony burglary in the daytime, of an inhabited dwelling house or trailer coach, as defined in Section 635 of the Vehicle Code, or the inhabited portion of any other building, if the minor previously has been adjudged a ward of the court by reason of the commission of any offense listed in this section, including an offense listed in this paragraph.

(b) Where the petition filed alleges that the minor is a person described in Section 602 by reason of the commission of rape with force or violence or great bodily harm; sodomy by force, violence, duress, menace, or threat of great bodily harm; oral copulation by

force, violence, duress, menace, or threat of great bodily harm; or any offense specified in Section 289 of the Penal Code, members of the public shall not be admitted to the hearing in either of the following instances:

(1) Upon a motion for a closed hearing by the district attorney, who shall make the motion if so requested by the victim.

(2) During the victim's testimony, if, at the time of the offense the victim was under 16 years of age.

(c) The name of a minor found to have committed one of the offenses listed in subdivision (a) shall not be confidential, unless the court, for good cause, so orders.

SEC. 2. Nothing in this act shall be construed to prohibit or restrict a court from identifying a case by the defendant's first name and the initial of his or her last name.

CHAPTER 399

An act to amend Sections 23039 and 24045.7 of, to add Section 24045.9 to, and to repeal Section 23039 of, the Business and Professions Code, relating to alcoholic beverages and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 23039 of the Business and Professions Code, as amended by Section 1 of Chapter 487 of the Statutes of 1979, is amended to read:

23039. (a) "Public premises" means:

(1) Premises licensed with any type of license other than an on-sale beer license, and maintained and operated for the selling or serving of alcoholic beverages to the public for consumption on the premises, and in which food shall not be sold or served to the public as in a bona fide public eating place, but upon which premises food products may be sold or served incidentally to the sale or service of alcoholic beverages, in accordance with rules prescribed by the department.

(2) Premises licensed with an on-sale beer license, in which food shall not be sold or served to the public as in a bona fide public eating place, and in which sandwiches, salads, desserts, and similar short orders shall not be sold and served, in accordance with rules prescribed by the department.

(b) "Public premises" does not include railroad dining or club cars, passenger ships, airplanes, or bona fide clubs after the clubs have been lawfully operated for not less than one year; nor does it include historic units of the state park system, premises being

operated under a temporary on-sale beer license other than permitted pursuant to Section 24045.5, or on-sale beer licensed stadia, auditoria, fairgrounds, or racetracks; nor does it include nonprofit theater companies licensed pursuant to Section 24045.7.

SEC. 2. Section 23039 of the Business and Professions Code, as added by Section 2 of Chapter 487 of the Statutes of 1979, is repealed.

SEC. 3. Section 24045.7 of the Business and Professions Code is amended to read:

24045.7. The department may issue a special on-sale general license to any nonprofit theater company which has been in existence for at least 10 years and which is exempt from the payment of income taxes under the provisions of Section 23701d of the Revenue and Taxation Code and Section 501 (c) (3) of the Internal Revenue Code of 1954 of the United States.

Theater companies holding a license under this section may, subject to Section 25631, sell and serve alcoholic beverages to ticketholders only during, and one hour prior to and one hour after, a bona fide theater performance of the company.

An applicant for such a license shall accompany the application with an original issuance fee of one thousand dollars ($1,000) and shall pay an annual renewal fee as provided in subdivision (30) of Section 23320.

SEC. 4. Section 24045.9 is added to the Business and Professions Code, to read:

24045.9. The department may issue a special on-sale beer and wine license to any symphony association organized as a nonprofit corporation more than 30 years before the date of application and which is exempt from the payment of income taxes under the provisions of Section 23701 (d) of the Revenue and Taxation Code and Section 501 (c) (3) of the Internal Revenue Code of 1954 of the United States.

A symphony association holding a license under this section may sell and serve alcoholic beverages only to persons attending concerts presented by the symphony association. Sales of alcoholic beverages shall only be permitted, subject to Section 25631, during the period commencing two hours before the performance and ending one hour after the performance.

The applicant for such a license shall accompany the application with an original fee of three hundred dollars ($300) and shall pay an annual renewal fee as provided in subdivision (23) of Section 23320.

Original licenses may be issued pursuant to this section until January 1, 1987; thereafter no new licenses shall be issued. Licenses originally issued pursuant to this section prior to January 1, 1987, may continue to be renewed annually by the holder thereof.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that nonprofit theater companies may continue serving

alcoholic beverages without fear of interruption and symphony associations may commence serving alcoholic beverages without undue delay and inconvenience, it is necessary that this act go into immediate effect.

CHAPTER 400

An act to amend Sections 40502 and 40601 of the Vehicle Code, relating to traffic offenses.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984]

The people of the State of California do enact as follows:

SECTION 1. Section 40502 of the Vehicle Code is amended to read:

40502. The place specified in the notice to appear shall be any of the following:

(a) Before a magistrate within the county in which the offense charged is alleged to have been committed and who has jurisdiction of the offense and is nearest or most accessible with reference to the place where the arrest is made.

(b) Upon demand of the person arrested, before a municipal court judge or other magistrate having jurisdiction of the offense at the county seat of the county in which the offense is alleged to have been committed. This subdivision applies only if the person arrested resides, or the person's principal place of employment is located, closer to the county seat than to the municipal court or other magistrate nearest or most accessible to the place where the arrest is made.

(c) Before a person authorized to receive a deposit of bail.

The clerk and deputy clerks of the municipal and justice courts are persons authorized to receive bail in accordance with a schedule of bail approved by the judges of those courts.

(d) Before the juvenile court, a juvenile court referee, or a juvenile traffic hearing officer within the county in which the offense charged is alleged to have been committed, if the person arrested appears to be under the age of 18 years. The juvenile court shall by order designate the proper person before whom the appearance is to be made.

In a county which has implemented the provisions of Section 603.5 of the Welfare and Institutions Code, if the offense alleged to have been committed by a minor is classified as an infraction under this code, or is a violation of a local ordinance involving the driving, parking, or operation of a motor vehicle, the citation shall be issued as provided in subdivision (a), (b), or (c); provided, however, that if the citation combines an infraction and a misdemeanor, the place

specified shall be as provided in subdivision (d).

If the place specified in the notice to appear is within a district or city and county where a department of the municipal court is to hold a night session within a period of not more than 10 days after the arrest, the notice to appear shall contain, in addition to the above, a statement notifying the person arrested that the person may appear before such a night session of the court.

SEC. 2. Section 40601 of the Vehicle Code is amended to read:

40601. The place specified in the notice of violation shall be any of the following:

(a) Before a magistrate within the county in which the offense charged is alleged to have been committed and who has jurisdiction of the offense and is nearest or most accessible with reference to the place where the offense charged is alleged to have been committed.

(b) Upon demand of the person receiving the notice of violation, before a municipal court judge or other magistrate having jurisdiction of the offense at the county seat of the county in which the offense is alleged to have been committed. This subdivision applies only if the person arrested resides, or the person's principal place of employment is located, closer to the county seat than to the municipal court or other magistrate nearest or most accessible to the place where the arrest is made.

(c) Before a person authorized to receive a deposit of bail.

The clerk and deputy clerks of the municipal and justice courts are persons authorized to receive bail in accordance with a schedule of bail approved by the judges of those courts.

(d) Before the juvenile court, a juvenile court referee, or a juvenile traffic hearing officer within the county in which the offense charged is alleged to have been committed, if the person receiving the notice of violation appears to be under the age of 18 years. The juvenile court shall by order designate the proper person before whom the appearance is to be made.

If the place specified in the notice of violation is within a district or city and county where a department of the municipal court is to hold a night session within a period of not more than 10 days after the notice of violation is delivered, the notice of violation shall contain, in addition to the above, a statement notifying the person receiving the notice that the person may appear before such a night session of the court.

CHAPTER 401

An act to amend Section 240 of the Evidence Code, relating to evidence.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 240 of the Evidence Code is amended to read:

240. (a) Except as otherwise provided in subdivision (b), "unavailable as a witness" means that the declarant is any of the following:

(1) Exempted or precluded on the ground of privilege from testifying concerning the matter to which his or her statement is relevant.

(2) Disqualified from testifying to the matter.

(3) Dead or unable to attend or to testify at the hearing because of then existing physical or mental illness or infirmity.

(4) Absent from the hearing and the court is unable to compel his or her attendance by its process.

(5) Absent from the hearing and the proponent of his or her statement has exercised reasonable diligence but has been unable to procure his or her attendance by the court's process.

(b) A declarant is not unavailable as a witness if the exemption, preclusion, disqualification, death, inability, or absence of the declarant was brought about by the procurement or wrongdoing of the proponent of his or her statement for the purpose of preventing the declarant from attending or testifying.

(c) Expert testimony which establishes that physical or mental trauma resulting from an alleged crime has caused harm to a witness of sufficient severity that the witness is physically unable to testify or is unable to testify without suffering substantial trauma may constitute a sufficient showing of unavailability pursuant to paragraph (3) of subdivision (a). As used in this section, the term "expert" means a physician and surgeon, including a psychiatrist, or any person described by subdivision (b), (c), or (e) of Section 1010.

CHAPTER 402

An act to amend Section 4359 of the Civil Code, relating to family law.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 4359 of the Civil Code is amended to read:

4359. (a) During the pendency of any proceeding under Title 2 (commencing with Section 4400) or Title 3 (commencing with Section 4500) of this part, upon application of either party in the manner provided by Section 527 of the Code of Civil Procedure, the superior court may issue ex parte orders (1) restraining any person from transferring, encumbering, hypothecating, concealing, or in any way disposing of any property, real or personal, whether community, quasi-community, or separate, except in the usual course of business or for the necessities of life, and if the order is directed against a party, requiring him or her to notify the other party of any proposed extraordinary expenditures and to account to the court for all such extraordinary expenditures; (2) enjoining any party from contacting, molesting, attacking, striking, threatening, sexually assaulting, battering, or disturbing the peace of the other party, and, in the discretion of the court, upon a showing of good cause, other named family and household members; (3) excluding one party from the family dwelling or from the dwelling of the other, for the period of time and upon the conditions as the court may determine, regardless of which party holds legal or equitable title, or is the lessee of the dwelling, upon a showing that the party to be excluded has assaulted or threatens to assault the other party or any other person under the care, custody, or control of the other party, or any minor child of the parties or of the other party, and that physical or emotional harm would otherwise result to the other party or any person under the care, custody, or control of the other party, or to any minor child of the parties or of the other party as provided in Section 5102; (4) determining the temporary custody of any minor children of the marriage, and the right of a party to visit the minor children upon the conditions as the court may determine; (5) determining the temporary use, possession, and control of real or personal property of the parties and the payment of any liens or encumbrances coming due during the pendency of the order; and (6) enjoining a party from specified behavior which the court determines is necessary to effectuate orders under paragraph (2) or (3).

Any order issued pursuant to this section shall state on its face the date of expiration of the order.

The Judicial Council shall promulgate forms and instructions for applications for orders and orders granted pursuant to this section.

(b) The court shall order the party who obtained the order or the attorney for that party to deliver or the clerk to mail a copy of any order, or extension, modification or termination thereof, granted pursuant to subdivision (a), by the close of the business day on which the order, extension, modification, or termination was granted, and any subsequent proof of service thereof, to each local law enforcement agency designated by the party or the attorney for the

party, having jurisdiction over the residence of the party and such other locations where the court determines that acts of domestic violence against the party are likely to occur. Each appropriate law enforcement agency shall make available through an existing system for verification, information as to the existence, terms and current status of any order issued pursuant to subdivision (a) to any law enforcement officer responding to the scene of reported domestic violence.

Notwithstanding the foregoing, an order issued pursuant to this section is enforceable in any place in this state. However, an order issued pursuant to this section is not enforceable by a law enforcement agency of a political subdivision unless that law enforcement agency has received a copy of the order pursuant to the provisions of this subdivision, has otherwise received a copy of the order, or the officer enforcing the order has been shown a copy of the order.

(c) Each order granted pursuant to this section shall state on its face that it is enforceable in any place in this state by any law enforcement agency that has received a mailed notice as provided by subdivision (b), by any other law enforcement agency that has received the order, or by any officer who has been shown the order. Any willful and knowing violation of any order granted pursuant to paragraph (2), (3) or (6) of subdivision (a) shall be a misdemeanor punishable under Section 273.6 of the Penal Code.

CHAPTER 403

An act to amend Section 25658 of the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 25658 of the Business and Professions Code is amended to read:

25658. (a) Every person who sells, furnishes, gives, or causes to be sold, furnished, or given away, any alcoholic beverage to any person under the age of 21 years is guilty of a misdemeanor.

(b) Any person under the age of 21 years who purchases any alcoholic beverage, or any person under the age of 21 years who consumes any alcoholic beverage in any on-sale premises, is guilty of a misdemeanor and shall be punished by a fine of not less than one hundred dollars ($100), no part of which shall be suspended or the person shall be required to perform not less than 24 hours nor more than 32 hours of community service during hours when the person is not employed and is not attending school, or such combination of

fine and community service as the court deems just. Any person under the age of 21 years who is convicted under this section and who has previously been convicted under this section is guilty of a misdemeanor and shall be punished by a fine of not less than one hundred dollars ($100), no part of which shall be suspended, and, in addition, shall be required to perform not less than 24 hours nor more than 32 hours of community service during hours when the person is not employed and is not attending school, except in any case in which the court makes a finding and states on the record its reasons that such community service would be inappropriate.

(c) Any on-sale licensee who knowingly permits a person under the age of 21 years to consume any alcoholic beverage in the on-sale premises, whether or not the licensee has knowledge that the person is under the age of 21 years, is guilty of a misdemeanor.

CHAPTER 404

An act to amend Sections 6560, 6630, 6632, 6633, 6634, 6635, 6636, and 6650 of, and to add Section 6529 to, the Business and Professions Code, relating to barbers.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 6529 is added to the Business and Professions Code, to read:

6529. No raise in fees for any one category of fees imposed by the Board of Barber Examiners in any given year shall exceed 150 percent of the Consumer Price Index increase for the previous year up to and not to exceed the maximum amount allowable for fees for any purpose set forth in this chapter.

SEC. 2. Section 6560 of the Business and Professions Code is amended to read:

6560. An applicant shall be granted a certificate of registration to practice barbering upon compliance with each of the following:

(a) Files an application with the board in such form as it may prescribe, accompanied by the application fee and an amount equal to the examination fee.

(b) The applicant is at least 17 years of age.

(c) The applicant is not subject to denial pursuant to Section 480.

(d) The applicant has completed the proper grade in school as provided in Section 6560.5, or has an equivalent education as determined by an examination conducted by an examining agency prescribed by the board.

(e) The applicant has either:

(1) A valid license or certificate of registration as a practicing

barber or apprentice from another state or country which has substantially the same requirements for licensing or registering barbers or apprentices as required by this chapter for barbers and as required by this chapter for apprentices prior to the amendments made to this chapter during the 1979 portion of the 1979–80 Regular Session affecting the authorization to practice as an apprentice.

(2) Affidavits from at least two persons stating that the applicant has practiced as a barber or an apprentice in another state or country for a period of at least two years within the last five years immediately prior to filing the application in this state and has passed a satisfactory examination conducted by the board.

(f) Has paid the certificate fee required by this chapter.

Any applicant who fails to pass the examination may file a new application accompanied by the required fees and take another examination. In no event will a person be permitted to practice barbering without having received a certificate of registration as a registered barber.

In the event that an applicant fails to appear for a scheduled examination, the board may assess a penalty fee of not more than 50 percent of the examination fee and in no event to exceed ten dollars ($10). The board shall reschedule the examination date for the applicant upon the applicant's payment of the penalty fee.

SEC. 3. Section 6630 of the Business and Professions Code is amended to read:

6630. A duplicate certificate will be issued upon the filing of a statement covering the loss of a certificate, verified by the oath of the applicant, and submitting two 3" x 5" signed photographs, and upon the payment of a fee fixed by the board at not more than ten dollars ($10) for the issuance of the certificate.

SEC. 4. Section 6632 of the Business and Professions Code is amended to read:

6632. The amount of the fees payable in connection with certificates of registration to practice barbering is as follows:

(a) The application fee shall be fixed by the board at not more than ten dollars ($10).

(b) The examination fee shall be fixed by the board at not more than twenty dollars ($20).

(c) The fee for issuance of the certificate is an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, except that, if the certificate will expire less than one year after its issuance, then the fee is 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued.

(d) The renewal fee shall be fixed by the board at not more than forty-five dollars ($45) for each biennial renewal period.

(e) The restoration fee is an amount equal to 150 percent of the renewal fee in effect when the application for restoration is filed.

SEC. 5. Section 6633 of the Business and Professions Code is amended to read:

6633. The amount of the fees payable in connection with certificates of registration to practice as an apprentice is as follows:

(a) The registration fee shall be fixed by the board at not more than thirty dollars ($30).

(b) The fee for issuance of the certificate is an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, except that, if the certificate will expire less than one year after its issuance, then the fee is 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued.

(c) The renewal fee shall be fixed by the board at not more than forty-five dollars ($45) for each biennial renewal period.

(d) The restoration fee is an amount equal to 150 percent of the renewal fee in effect when the application for restoration is filed.

SEC. 6. Section 6634 of the Business and Professions Code is amended to read:

6634. The amount of the fees payable in connection with certificates to conduct a barbershop is as follows:

(a) The inspection fee to be paid by an applicant to conduct a new barbershop or an existing shop at a new location shall be fixed by the board at not more than sixty-five dollars ($65).

(b) The certificate fee to be paid by an applicant to conduct a new barbershop or an existing shop at a new location shall be fixed by the board at not more than forty-five dollars ($45), except that if the certificate will expire less than one year after its issuance, then the fee is 50 percent of the certificate fee.

(c) The fee to be paid by an applicant to conduct an existing barbershop under new ownership shall be fixed by the board at not more than twenty-two dollars and fifty cents ($22.50).

(d) The renewal fee shall be fixed by the board at not more than forty-five dollars ($45) for each biennial renewal period.

(e) The restoration fee is an amount equal to 150 percent of the renewal fee in effect when the application for restoration is filed.

SEC. 7. Section 6635 of the Business and Professions Code is amended to read:

6635. The amount of the fees payable in connection with certificates of registration for a barber college is as follows:

(a) The application fee shall be fixed by the board at not more than one hundred fifty dollars ($150).

(b) The inspection fee to be paid by an applicant to conduct a new barber college or an existing barber college under a new owner shall be fixed by the board at not more than seventy-five dollars ($75).

(c) The fee for the issuance of a certificate shall be fixed by the board at not more than two hundred twenty-five dollars ($225).

(d) The annual renewal fee shall be fixed by the board at not more than two hundred twenty-five dollars ($225).

(e) The restoration fee shall be an amount equal to the renewal fee plus twenty-five dollars ($25).

SEC. 8. Section 6636 of the Business and Professions Code is

amended to read:

6636. The amount of the fees payable in connection with certificates of registration as an instructor in a barber college is as follows:

(a) The application fee shall be fixed by the board at not more than fifteen dollars ($15).

(b) The examination fee shall be fixed by the board at not more than fifty-five dollars ($55).

(c) The fee for issuance of a certificate is an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, except that, if the certificate will expire less than one year after its issuance, then the fee is 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued.

(d) The renewal fee for the biennial renewal period shall be fixed by the board at not more than forty-five dollars ($45).

(e) The restoration fee is an amount equal to 150 percent of the renewal fee in effect when the application for restoration is filed.

SEC. 9. Section 6650 of the Business and Professions Code is amended to read:

6650. The amount of the fees payable in connection with special certificates in barbering is as follows:

(a) The application fee shall be fixed by the board at not more than ten dollars ($10).

(b) The examination fee shall be fixed by the board at not more than forty-five dollars ($45).

(c) The fee for the issuance of the certificate is an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, except that, if the certificate will expire less than one year after its issuance, then the fee is 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued.

(d) The renewal fee shall be fixed by the board at not more than forty-five dollars ($45) for each biennial renewal period.

(e) The restoration fee is an amount equal to 150 percent of the renewal fee in effect when the application for restoration is filed.

CHAPTER 405

An act to add Section 11092.5 to the Government Code, relating to state government.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 11092.5 is added to the Government Code, to read:

11092.5. Each state agency and department shall, in the maintenance of statistical tabulation of minority groups, commence the categorization of Pacific Islanders as Pacific Islanders not later than March 1. 1985. As used in this section, "Pacific Islander" means a person who is defined as such by the 1980 federal census. Nothing in this section shall require a state agency or department to collect data for any study that was completed prior to January 1, 1985.

CHAPTER 406

An act to add and repeal Section 20217 of the Government Code, relating to the Public Employees' Retirement System, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 20217 is added to the Government Code, to read:

20217. The board shall conduct a study of whether the system should acquire a seat on the New York Stock Exchange.

The board shall report its findings and recommendations thereon to the Legislature on or before January 1, 1985.

This section shall remain in effect only until January 1, 1986, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1986, deletes or extends that date.

SEC. 2. The Legislature finds and declares: that the function of executing, for the Public Employees' Retirement System, security transactions on stock exchanges has always been performed not by civil service employees but by private entities under contract; that that function is special, skilled, highly technical, and, to a degree, confidential in nature, within the holding of Stockburger v. Riley (21 Cal. App. 2d 165); that that function cannot be performed adequately, satisfactorily, or competently by civil service employees; that the performance of that function by the Public Employees' Retirement System pursuant to this act is a new state function not previously conducted by any state agency and will not result in the displacement of state civil service, within the holding of the California State Employees' Assn. v. Williams (7 Cal. App. 3d 390).

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into

immediate effect. The facts constituting the necessity are:

In order for the Legislature to respond at the earliest possible time to the rapidly changing financial environment and the related effects upon the investment practices of the Public Employees' Retirement System, it is necessary that this act take effect immediately.

CHAPTER 407

An act to amend Section 2188.5 of the Revenue and Taxation Code, relating to property taxation.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 2188.5 of the Revenue and Taxation Code is amended to read:

2188.5. (a) Subject to the limitations set forth in subdivision (b), whenever real property has been divided into planned developments as defined in Sections 11003 and 11003.1 of the Business and Professions Code, the interests therein shall be presumed to be the value of each separately owned lot, parcel or area, and the assessment shall reflect this value which includes all of the following:

(1) The assessment attributable to the value of the separately owned lot, parcel or area and the improvements thereon.

(2) The assessment attributable to the share in the common area reserved as an appurtenance of the separately owned lot, parcel or area.

(3) The new base year value of the common area resulting from any change in ownership pursuant to Chapter 2 (commencing with Section 60) or new construction pursuant to Chapter 3 (commencing with Section 70) attributable to the share in the common area reserved as an appurtenance of the separately owned lot, parcel, or area.

For the purposes of this section, "common area" shall mean the land and improvements within a lot, parcel or area, the beneficial use and enjoyment of which is reserved in whole or in part as an appurtenance to the separately owned lots, parcels or areas, whether this common area is held in common or through ownership of shares of stock or membership in an owners' association as defined in Section 11003.1 of the Business and Professions Code. The tax on each separately owned lot, parcel or area shall constitute a lien solely thereon and upon the proportionate interest in the common area appurtenant thereto.

(b) Assessment in accordance with the provisions of subdivision (a) shall only be required with respect to those planned

developments which satisfy both of the following conditions:

(1) The development is located entirely within a single tax code area.

(2) The entire beneficial ownership of the common area is reserved as an appurtenance to the separately owned lots, parcels or areas.

(c) The amendment to subdivision (b) made by the act adding this subdivision shall apply to real property which has been divided into planned developments, as defined in Sections 11003 and 11003.1 of the Business and Professions Code, on and after the effective date of the act adding this subdivision.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

SEC. 3. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

CHAPTER 408

An act to amend Section 94153 of the Education Code, relating to education, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 94153 of the Education Code is amended to read:

94153. The total amount of bonds authorized to be outstanding at any one time under this chapter shall be seven hundred fifty million dollars ($750,000,000). Bonds for the payment of which funds have been placed in escrow prior to maturity or redemption (pursuant to Section 94150 or any other provision of law) shall no longer be treated as outstanding, for the purpose of this section, from and after the date when all liability of the authority in respect of such bonds has been discharged in accordance with the bonds and the trust agreement or resolution under which such bonds were issued.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Without immediate implementation of this act, the educational facilities covered by the so-called California Educational Facilities Authority Act will run out of funds. To avoid this problem, it is necessary that this act take effect immediately.

CHAPTER 409

An act to amend Sections 253.1, 253.2, 253.3, 253.4, 253.5, 253.7, 263.1, 263.2, 263.3, 263.4, 263.6, 263.7, 263.8, 301, 302, 305, 310, 316, 317, 318, 323, 325, 326, 330, 332, 335, 336, 337, 349, 361, 377, 384, 386, 389, 396, 397, 399, 404, 408, 414, 421, 438, 449, 460, 463, 472, 480, 485, 493, 507, 521, 544, 551, 560, 562, 566, 580, 618, and 619 of, to amend and renumber Sections 307.1, 307.2, and 317.2 of, to add Sections 403, 409, 511, 622, and 625 to, and to repeal Sections 307 and 508 of, the Streets and Highways Code, relating to state highways.

[Approved by Governor July 11, 1984 Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 253.1 of the Streets and Highways Code is amended to read:

253.1. The California freeway and expressway system shall include:

Routes 5, 6, 8, 10, 14, 15, 18, 24, 28, 30, 32, 34, 37, 40, 44, 47, 48, 50, 51, 52, 53, 54, 55, 56, 57, 59, 60, 61, 63, 65, 67, 68, 70, 71, 73, 74, 78, 80, 81, 83, 85, 87, 88, 89, 90, 93, 97, 100, 102, 103, 105, 107, 108, 118, 121, 122, 124, 125, 126, 133, 134, 136, 139, 140, 141, 145, 148, 149, 154, 156, 157, 161, 163, 164, 171, 179, 181, 183, 184, 199, 205, 210, 215, 217, 221, 223, 230, 232, 234, 235, 237, 238, 239, 242, 247, 249, 251, 252, 256, 257, 258, 259, 280, 330, 371, 380, 405, 505, 580, 605, 680, 710, 780, 805, 880, and 980 in their entirety.

SEC. 2. Section 253.2 of the Streets and Highways Code is amended to read:

253.2. The California freeway and expressway system shall also include:

Route 1 from:

(a) Los Angeles-Ventura county line to Route 101 near El Rio.

(b) Route 101 near Las Cruces to Route 227 south of Oceano.

(c) Route 101 near San Luis Obispo to San Simeon.

(d) Carmel to the west city limits of Santa Cruz.

(e) The Higgins-Purisima Road to Route 280 south of San Francisco.

(f) Route 280 to the San Francisco county line.

(g) Route 101 near the southerly end of Marin Peninsula to the vicinity of Valley Ford.

(h) Route 128 near the mouth of the Navarro River to Route 101

near Leggett.

Route 2 from Glendale Boulevard in Los Angeles County to Route 210.

Route 3 from Route 299 near Weaverville to Route 5 near Yreka.

Route 4 from:

(a) Route 80 near Hercules to Route 99 near Stockton.

(b) Route 99 near Stockton to Route 65.

Route 12 from:

(a) Route 1 near Valley Ford to Route 101 at Santa Rosa.

(b) Route 101 near Santa Rosa to Melita Road near Santa Rosa.

(c) Route 29 in the vicinity of Napa to Route 80 near Cordelia.

(d) Route 80 near Fairfield to Route 99 near Lodi via Rio Vista.

(e) Route 99 near Lodi to Route 88 near Lockeford.

(f) Route 88 near Clements to Route 49 near San Andreas.

Route 13 from:

(a) Route 61 near the Oakland International Airport to Route 24.

(b) Route 80 to Route 61 near Emeryville.

Route 16 from:

(a) Route 505 to Route 5 near Woodland.

(b) Route 50 near Perkins to Route 49 near Drytown.

Route 17 from:

(a) Route 1 near Santa Cruz to Granite Creek Road near Scott's Valley.

(b) The south city limits of Los Gatos to Route 280 in San Jose.

Route 20 from Route 101 to Route 80 near Emigrant Gap.

SEC. 3. Section 253.3 of the Streets and Highways Code is amended to read:

253.3. The California freeway and expressway system shall also include:

Route 22 from:

(a) Studebaker Road in Long Beach to Route 405.

(b) Route 405 to Route 55 near Orange.

Route 23 from:

(a) Route 101 in Thousand Oaks to Route 118.

(b) Route 118 to Route 126 near Fillmore.

Route 25 from:

(a) Route 180 near Paicines to Route 156 in Hollister.

(b) Route 156 in Hollister to Route 101 near Gilroy.

Route 26 from Route 99 near Stockton to Route 12.

Route 29 from:

(a) Route 80 near Vallejo to Oak Knoll Avenue north of the City of Napa.

(b) The Napa-Lake county line to Route 20.

Route 33 from:

(a) Route 101 near Ventura to Route 150.

(b) Route 150 to Route 166 near Maricopa.

(c) Route 152 west of Los Banos to Route 5 near Santa Nella.

Route 35 from Route 280 to Route 1 near Daly City.

Route 36 from:

(a) Route 5 at Red Bluff to Route 395.
(b) Route 139 north of Susanville to Route 395 near Termo.
Route 38 from Route 10 near Redlands to Route 18 near Baldwin Lake.
Route 39 from Route 1 near Huntington Beach to Route 210.
Route 41 from:
(a) Route 1 near Morro Bay to Route 101 near Atascadero.
(b) Route 46 to Route 99 near Fresno.
(c) Route 99 near Fresno to Route 180.
(d) Route 180 to Yosemite National Park.
Route 43 from Route 5 to Route 99 near Selma.
Route 45 from Route 20 near Colusa to Route 32 near Hamilton City.
SEC. 4. Section 253.4 of the Streets and Highways Code is amended to read:
253.4. The California freeway and expressway system shall also include:
Route 46 from Route 101 in San Luis Obispo County to Route 99 near Famoso.
Route 49 from:
(a) Route 41 near Oakhurst to Route 140 at Mariposa.
(b) Route 108 south of Jamestown to Route 108 near Sonora.
(c) Route 88 near Jackson to Route 50 near Placerville.
(d) Route 80 near Auburn to Route 20 in Grass Valley.
(e) Route 20 at Nevada City to Route 89 near Sattley.
(f) Route 89 near Sierraville to Route 70 near Vinton.
Route 58 from:
(a) Route 5 to Route 43.
(b) Route 43 to Route 99.
(c) Route 99 near Bakersfield to Route 15 near Barstow.
Route 62 from Route 10 near Whitewater to Route 247 near Yucca Valley.
Route 76 from Route 5 near Oceanside to Route 15.
Route 77 from Route 93 westerly of Moraga to Route 24 near Lafayette.
SEC. 5. Section 253.5 of the Streets and Highways Code is amended to read:
253.5. The California freeway and expressway system shall also include:
Route 79 from:
(a) Route 8 near Descanso to Route 78.
(b) Route 371 near Aguanga to Route 15 near Temecula.
(c) Route 15 near Temecula to Route 74 near Hemet.
(d) Route 74 near Hemet to Route 10 near Beaumont.
Route 84 from:
(a) The westerly approach to the Dumbarton Bridge to Route 238.
(b) Route 680 near Scotts Corners to Route 580.
(c) Route 580 to Route 4 near Brentwood.
(d) Route 12 at Rio Vista to Route 50 near Broderick.

Route 86 from Route 78 near Brawley to Route 10 in Indio.

Route 91 from Route 405 to Route 215 near Riverside.

Route 92 from:

(a) Route 1 near Half Moon Bay to Route 280.

(b) Route 280 to Route 238.

Route 94 from Route 5 near San Diego to Route 54 near Jamacha Road.

Route 95 from Route 10 near Blythe to Route 40 near Needles.

Route 99 from:

(a) Route 5 south of Bakersfield to Route 50 in Sacramento.

(b) Route 5 in Sacramento to Route 5 near Red Bluff.

Route 101 from:

(a) Route 5 near Seventh Street in Los Angeles to near Fell Street in San Francisco.

(b) A point in Marin County opposite San Francisco to the Oregon state line north of Crescent City.

Route 110 from Route 47 to Colorado Boulevard in Pasadena.

SEC. 6. Section 253.7 of the Streets and Highways Code is amended to read:

253.7. The California freeway and expressway system shall also include:

Route 137 from Route 99 near Tulare to Route 65 near Lindsay.

Route 138 from Route 5 near Gorman to Route 15 near Cajon Pass.

Route 142 from Route 71 near Chino to Route 30 near Upland.

Route 152 from Route 101 to Route 65 near Sharon via Pacheco Pass.

Route 160 from:

(a) Route 4 near Antioch to Route 12 near Rio Vista.

(b) Sacramento to Route 51.

Route 166 from:

(a) Route 101 near Santa Maria to Route 33 in Cuyama Valley.

(b) Route 33 near Maricopa to Route 5.

Route 168 from Fresno to Huntington Lake.

Route 170 from:

(a) Los Angeles International Airport to Route 90.

(b) Route 101 near Riverside Drive to Route 5 near Tujunga Wash.

Route 178 from:

(a) Bakersfield to Route 14 near Freeman.

(b) Route 14 near Freeman to the vicinity of the San Bernardino county line.

Route 180 from:

(a) Route 25 near Paicines to Route 5.

(b) Route 5 to Route 99 passing near Mendota.

(c) Route 99 near Fresno to General Grant Grove section of Kings Canyon National Park.

Route 190 from Route 136 near Keeler to Route 127 near Death Valley Junction.

Route 193 from Route 65 near Lincoln to Route 80 near Newcastle.

Route 198 from Route 5 near Oilfields to the Sequoia National Park line.

SEC. 7. Section 263.1 of the Streets and Highways Code is amended to read:

263.1. The state scenic highway system shall include:

Routes 28, 35, 38, 52, 53, 62, 74, 75, 76, 89, 96, 97, 127, 150, 151, 154, 156, 158, 161, 173, 197, 199, 203, 209, 221, 236, 239, 243, 247, 254, 330, and 480 in their entirety.

SEC. 8. Section 263.2 of the Streets and Highways Code is amended to read:

263.2. The state scenic highway system shall also include:

Route 1 from:

(a) Route 5 south of San Juan Capistrano to Route 19 near Long Beach.

(b) Route 187 near Santa Monica to Route 101 near El Rio.

(c) Route 101 at Las Cruces to Route 246 near Lompoc.

(d) Route 227 south of Oceano to Route 101 near Pismo Beach.

(e) Route 101 near San Luis Obispo to Route 35 near Daly City.

(f) Route 35 in San Francisco to Route 480 in San Francisco.

(g) Route 101 near Marin City to Route 101 near Leggett.

Route 2 from Route 210 near La Canada to Route 138 near Wrightwood.

Route 3 from:

(a) Route 36 near Peanut to Route 299 near Douglas City.

(b) Route 299 near Weaverville to Montague.

Route 4 from:

(a) Route 239 near Brentwood to Route 160 near Antioch.

(b) Route 49 near Angels Camp to Route 89.

SEC. 9. Section 263.3 of the Streets and Highways Code is amended to read:

263.3. The state scenic highway system shall also include:

Route 5 from:

(a) The international boundary near Tijuana to Route 75 near the south end of San Diego Bay.

(b) San Diego opposite Coronado to Route 74 near San Juan Capistrano.

(c) Route 210 near Tunnel Station to Route 126 near Castaic.

(d) Route 152 west of Los Banos to Route 580 near Vernalis.

(e) Route 44 near Redding to the Shasta Reservoir.

(f) Route 89 near Mt. Shasta to Route 97 near Weed.

(g) Route 3 near Yreka to the Oregon state line near Hilts.

Route 8 from Sunset Cliffs Boulevard in San Diego to Route 98 near Coyote Wells.

Route 9 from:

(a) Route 1 near Santa Cruz to Route 236 near Boulder Creek.

(b) Route 236 near Boulder Creek to Route 236 near Waterman Gap.

(c) Route 236 near Waterman Gap to Route 35.

(d) Saratoga to Route 17 near Los Gatos.

(e) Blaney Plaza in Saratoga to Route 35.

Route 10 from Route 38 near Redlands to Route 62 near Whitewater.

Route 12 from Route 101 near Santa Rosa to Route 121 near Sonoma.

Route 14 from Route 58 near Mojave to Route 395 near Little Lake.

Route 15 from:

(a) Route 76 near the San Luis Rey River to Route 91 near Corona.

(b) Route 138 near Cajon Pass to Route 138 near Cajon Pass

(c) Route 58 near Barstow to Route 127 near Baker.

Route 16 from Route 20 to Capay.

Route 17 from Route 1 near Santa Cruz to Route 9 near Los Gatos.

Route 18 from Route 138 near Mt. Anderson to Route 247 near Lucerne Valley.

Route 20 from:

(a) Route 1 near Fort Bragg to Route 101 near Willits.

(b) Route 101 near Calpella to Route 16.

(c) Route 49 near Grass Valley to Route 80 near Emigrant Gap.

Route 24 from the Alameda-Contra Costa county line to Route 680 in Walnut Creek.

Route 25 from Route 198 to Route 156 near Hollister.

Route 27 from Route 1 to Mulholland Drive.

Route 29 from:

(a) Route 37 near Vallejo to Route 221 near Napa.

(b) The vicinity of Trancas Street in northwest Napa to Route 20 near Upper Lake.

Route 30 from Route 330 near Highland to Route 10 near Redlands.

Route 33 from:

(a) Route 101 near Ventura to Route 150.

(b) Route 150 to Route 166 in Cuyama Valley.

(c) Route 198 near Coalinga to Route 198 near Oilfields.

Route 36 from:

(a) Route 101 near Alton to Route 3 near Peanut.

(b) Route 89 near Morgan Summit to Route 89 near Deer Creek Pass.

SEC. 10. Section 263.4 of the Streets and Highways Code is amended to read:

263.4. The state scenic highway system shall also include:

Route 37 from:

(a) Route 251 near Nicasio to Route 101 near Novato.

(b) Route 101 near Ignacio to Route 29 near Vallejo.

Route 39 from Route 210 near Azusa to Route 2.

Route 40 from Barstow to Needles.

Route 41 from:

(a) Route 1 near Morro Bay to Route 101 near Atascadero.

(b) Route 46 near Cholame to Route 33.

(c) Route 49 near Oakhurst to Yosemite National Park.

Route 44 from:

(a) Route 5 near Redding to Lassen Volcanic National Park.

(b) Lassen Volcanic National Park to Route 89 near Old Station.

Route 46 from:

(a) Route 1 near Cambria to Route 101 near Paso Robles.

(b) Route 101 near Paso Robles to Route 41 near Cholame.

Route 49 from:

(a) Route 41 near Oakhurst to Route 120 near Moccasin.

(b) Route 120 to Route 20 near Grass Valley.

(c) Route 20 near Nevada City to Route 89 near Sattley.

Route 50 from Route 49 near Placerville to the Nevada state line near Lake Tahoe.

Route 57 from Route 90 to Route 60 near Industry.

Route 58 from Route 14 near Mojave to Route 15 near Barstow.

Route 68 from Monterey to Route 101 near Salinas.

Route 70 from Route 149 near Wicks Corner to Route 89 near Blairsden.

Route 71 from Route 91 near Corona to Route 83 north of Corona.

SEC. 11. Section 263.6 of the Streets and Highways Code is amended to read:

263.6. The state scenic highway system shall also include:

Route 101 from:

(a) Route 1 near El Rio to Route 46 near Paso Robles.

(b) Route 156 near Prunedale northeasterly to Route 156.

(c) A point in Marin County opposite San Francisco to Route 1 near Marin City.

(d) Route 37 near Ignacio to Route 37 near Novato.

(e) Route 20 near Calpella to Route 20 near Willits.

(f) Route 1 near Leggett to Route 199 near Crescent City.

(g) Route 197 near Fort Dick to the Oregon state line.

Route 108 from Route 49 near Sonora to Route 395.

Route 111 from:

(a) Bombay Beach in Salton Sea State Park to Route 195 near Mecca.

(b) Route 74 near Palm Desert to Route 10 near Whitewater.

Route 116 from Route 101 near Cotati to Route 1 near Jenner.

Route 118 from Route 23 to DeSoto Avenue near Browns Canyon.

Route 120 from:

(a) Route 49 near Chinese Camp to Route 49 near Moccasin.

(b) The east boundary of Yosemite National Park to Route 395 near Mono Lake.

Route 121 from:

(a) Route 37 near Sears Point to Route 12 near Sonoma.

(b) Route 221 near Napa State Hospital to near the vicinity of Trancas Street in northeast Napa.

Route 125 from Route 94 near Spring Valley to Route 8 near La Mesa.

Route 126 from Route 150 near Santa Paula to Route 5 near Castaic.

SEC. 12. Section 263.7 of the Streets and Highways Code is amended to read:

263.7. The state scenic highway system shall also include:

Route 138 from Route 2 near Wrightwood to Route 18 near Mt. Anderson.

Route 139 from Route 299 near Canby to the Oregon state line near Hatfield.

Route 140 from Route 49 at Mariposa to Yosemite National Park near El Portal.

Route 142 from the Orange-San Bernardino county line to Peyton Drive.

Route 146 from Pinnacles National Monument to Route 25 in Bear Valley.

Route 152 from:

(a) Route 1 to the Santa Clara county line at Hecker Pass.

(b) Route 156 near San Felipe to Route 5.

Route 160 from Route 4 near Antioch to Sacramento.

Route 163 from Ash Street in San Diego to Route 8.

Route 166 from Route 101 near Santa Maria to Route 33 in Cuyama Valley.

Route 168 from:

(a) Route 65 near Clovis to Huntington Lake.

(b) Camp Sabrina to Route 395.

(c) Big Pine to the Nevada state line via Oasis.

Route 178 from the east boundary of Death Valley National Monument to Route 127 near Shoshone.

Route 180 from:

(a) Route 65 near Minkler to General Grant Grove section of Kings Canyon National Park.

(b) General Grant Grove section of Kings Canyon National Park to Kings Canyon National Park boundary near Cedar Grove.

Route 190 from Route 65 near Porterville to Route 127 near Death Valley Junction.

SEC. 13. Section 263.8 of the Streets and Highways Code is amended to read:

263.8. The state scenic highway system shall also include:

Route 198 from:

(a) Route 101 near San Lucas to Route 33 near Coalinga.

(b) Route 33 near Oilfields to Route 5.

(c) Route 99 near Goshen to the Sequoia National Park line.

Route 210 from Route 5 near Tunnel Station to Route 134.

Route 215 from Route 74 near Romoland to Route 74 near Perris.

Route 251 from Route 37 near Nicasio to Route 1 near Point Reyes Station.

Route 280 from Route 17 in Santa Clara County to Route 80 near First Street in San Francisco.

Route 299 from:

(a) Route 101 near Arcata to Route 96 near Willow Creek.

(b) Route 3 near Weaverville to Route 5 near Redding.

(c) Route 89 near Burney to Route 139 near Canby.

Route 395 from Route 14 near Little Lake to Route 89 near Coleville.

Route 580 from Route 5 southwest of Vernalis to Route 80.

Route 680 from the Santa Clara-Alameda county line to Route 24 in Walnut Creek.

SEC. 14. Section 301 of the Streets and Highways Code is amended to read:

301. Route 1 is from:

(a) Route 5 south of San Juan Capistrano to Route 101 near El Rio.

(b) Route 101 at Emma Wood State Park, 1.3 miles north of Route 33, to Route 101, 2.8 miles south of the Ventura-Santa Barbara county line at Mobil Pier Undercrossing.

(c) Route 101 near Las Cruces to Route 101 near Pismo Beach via the vicinity of Lompoc and Guadalupe.

(d) Route 101 near San Luis Obispo to Route 280 south of San Francisco along the coast via Cambria, San Simeon, and Santa Cruz.

(e) Route 280 near the south boundary of the City and County of San Francisco to Route 480 in San Francisco.

(f) Route 101 near the southerly end of Marin Peninsula to Route 101 near Leggett via the coast route through Jenner and Westport.

SEC. 15. Section 302 of the Streets and Highways Code is amended to read:

302. Route 2 is from:

(a) Route 1 near Santa Monica to Route 101.

(b) Route 101 to Route 138 via Glendale and Wrightwood.

SEC. 16. Section 305 of the Streets and Highways Code is amended to read:

305. Route 5 is from the international boundary near Tijuana to the Oregon state line via National City, San Diego, Los Angeles, the westerly side of the San Joaquin Valley, Sacramento, and Yreka; also passing near Santa Ana, Glendale, Woodland, and Red Bluff.

SEC. 17. Section 307 of the Streets and Highways Code is repealed.

SEC. 18. Section 307.1 of the Streets and Highways Code is amended and renumbered to read:

622.1. (a) Route 710 shall also include that portion of the freeway between Route 1 and the northern end of Harbor Scenic Drive, that portion of Harbor Scenic Drive to Ocean Boulevard, that portion of Ocean Boulevard west of its intersection with Harbor Scenic Drive to its junction with Seaside Boulevard, and that portion of Seaside Boulevard from the junction with Ocean Boulevard to Route 47.

(b) Subdivision (a) shall not become operative, and this section shall be repealed on January 1, 1985, unless the commission approves, not later than December 31, 1984, a financial plan, which is submitted to them by the Los Angeles County Transportation Commission not later than January 1, 1984.

(c) The financial plan shall be prepared in cooperation with the department and shall include, but not be limited to, a cost estimate and the source of funding to make the route changes in subdivision (a) and any proposed improvements.

SEC. 19. Section 307.2 of the Streets and Highways Code is

amended and renumbered to read:

622.2. If the Cities of Los Angeles, Pasadena, and South Pasadena, and the Los Angeles County Transportation Commission reach an agreement by January 1, 1983, as to the location to be adopted for the portion of Route 710 between Routes 10 and 210, the department shall take the necessary steps to remove that portion of Route 710 from the federal-aid urban system and place it in the federal-aid primary system.

SEC. 20. Section 310 of the Streets and Highways Code is amended to read:

310. Route 10 is from:

(a) Route 1 in Santa Monica to Route 5 near Seventh Street in Los Angeles.

(b) Route 101 near Mission Road in Los Angeles to the Arizona state line at the Colorado River via the vicinity of Monterey Park, Pomona, Colton, Indio, and Chiriaco Summit and via Blythe.

SEC. 21. Section 316 of the Streets and Highways Code is amended to read:

316. Route 16 is from:

(a) Route 20 to Route 5 near Woodland via Rumsey and Woodland.

(b) Route 50 near Perkins to Route 49 near Drytown.

SEC. 22. Section 317 of the Streets and Highways Code is amended to read:

317. Route 17 is from Route 1 near Santa Cruz to Route 280 in San Jose.

SEC. 23. Section 317.2 of the Streets and Highways Code is amended and renumbered to read:

618.1. The commission shall program for, and the department shall proceed with, all necessary steps prior to advertising for construction of the improvement of Route 580 from the Richmond-San Rafael Bridge to Route 80 near Albany to freeway standards, including completion of the environmental studies, so that the first construction project may be advertised for bids during the 1977–78 fiscal year. Provided funds are available, as determined by the commission in accordance with its established procedures for determining priority of need, the commission shall budget, and the department shall award, the first construction contract for this improvement during the 1977–78 fiscal year. The commission and the department are requested to grant high priority to the completion of this improvement.

SEC. 24. Section 318 of the Streets and Highways Code is amended to read:

318. Route 18 is from:

(a) Route 10 near San Bernardino to Route 15 via San Bernardino, Big Bear Lake, and Victorville.

(b) Route 15 to Route 138.

SEC. 25. Section 323 of the Streets and Highways Code is amended to read:

323. Route 23 is from:

(a) Route 1 near Aliso Canyon to Route 101.

(b) Route 101 in Thousand Oaks to Route 118.

(c) Route 118 to Route 126 near Fillmore.

SEC. 26. Section 325 of the Streets and Highways Code is amended to read:

325. Route 25 is from:

(a) Route 198 to Route 156 in Hollister.

(b) Route 156 in Hollister to Route 101 near Gilroy.

SEC. 27. Section 326 of the Streets and Highways Code is amended to read:

326. Route 26 is from:

(a) Route 4 to Route 99 near Stockton.

(b) Route 99 near Stockton to Route 12.

(c) Route 12 to Route 88 near Pioneer Station via Mokelumne Hill and West Point.

SEC. 28. Section 330 of the Streets and Highways Code is amended to read:

330. Route 30 is from Route 210 near San Dimas to Route 10 in Redlands via the vicinity of Highland.

SEC. 29. Section 332 of the Streets and Highways Code is amended to read:

332. Route 32 is from:

(a) Route 5 near Orland to Route 99 near Chico.

(b) Route 99 near Chico to Route 36.

SEC. 30. Section 335 of the Streets and Highways Code is amended to read:

335. Route 35 is from:

(a) Route 17 to Route 92 via Skyline Boulevard.

(b) Route 92 to Route 280 at Bunker Hill Drive.

(c) Route 280 via Skyline Boulevard to Route 1 in San Francisco.

SEC. 31. Section 336 of the Streets and Highways Code is amended to read:

336. Route 36 is from:

(a) Route 101 near Alton to Route 5 near Red Bluff passing near Forest Glen and Peanut.

(b) Route 5 at Red Bluff to Route 395 via Mineral, via the vicinity of Morgan Summit, and via Susanville.

(c) Route 139 north of Susanville to Route 395 near Termo.

SEC. 32. Section 337 of the Streets and Highways Code is amended to read:

337. Route 37 is from:

(a) Route 251 near Nicasio to Route 101 near Novato.

(b) Route 101 near Novato to Route 80 near Lake Chabot via the vicinity of Sears Point and via the former Sears Point Toll Road.

SEC. 33. Section 349 of the Streets and Highways Code is amended to read:

349. Route 49 is from:

(a) Route 41 near Oakhurst to Route 140 at Mariposa.

(b) Route 140 at Mariposa to Route 120 near Moccasin.

(c) Route 120 near Chinese Camp to Route 80 near Auburn via the vicinity of Sonora; via Angels Camp, San Andreas, and Jackson; and via the vicinity of El Dorado, Diamond Springs, and Placerville.

(d) Route 80 near Auburn to Route 20 in Grass Valley.

(e) Route 20 at Nevada City to Route 89 near Sattley via Downieville.

(f) Route 89 near Sierraville to Route 70 near Vinton via Loyalton.

SEC. 34. Section 361 of the Streets and Highways Code is amended to read:

361. Route 61 is from Route 84 near Newark to Route 580 near Albany via the vicinity of San Leandro and Oakland International Airport and via Alameda.

No portion of Route 61 shall be constructed as a freeway north of Hegenberger Road.

SEC. 35. Section 377 of the Streets and Highways Code is amended to read:

377. Route 77 is from:

(a) Route 880 near 42nd Avenue to a connection with Route 580 near High Street in Oakland.

(b) Route 580 in Oakland to Route 24 near Lafayette.

SEC. 36. Section 384 of the Streets and Highways Code is amended to read:

384. Route 84 is from:

(a) Route 1 near San Gregorio to Route 101 at Woodside Road in Redwood City.

(b) Route 101 at Marsh Road in Menlo Park to Route 238.

(c) Route 238 to Route 680 near Scotts Corners via the vicinity of Sunol.

(d) Route 680 near Scotts Corners to Route 580.

(e) Route 580 to Route 4 near Brentwood.

(f) Route 12 at Rio Vista to Route 80 near Bryte via Ryer Island.

SEC. 37. Section 386 of the Streets and Highways Code is amended to read:

386. Route 86 is from:

(a) Route 111 to Route 8 near El Centro.

(b) Route 8 near El Centro to Route 10 in Indio via the vicinity of Brawley.

SEC. 38. Section 389 of the Streets and Highways Code is amended to read:

389. Route 89 is from:

(a) Route 395 near Coleville to Route 50 near Meyers via the vicinity of Markleeville.

(b) Route 50 near May's Junction to Route 80 via Tallac, Emerald Bay, McKinney's, Tahoe City, and the Truckee River.

(c) Route 80 near Truckee to Route 70 near Blairsden.

(d) Route 70 near Indian Falls to Route 36 near Deer Creek Pass.

(e) Route 36 near Morgan Summit to Lassen Volcanic National Park.

(f) Route 44 to Route 5 near Mt. Shasta.

SEC. 39. Section 396 of the Streets and Highways Code is amended to read:

396. Route 96 is from Route 299 near Willow Creek via the vicinity of Weitchpec to Route 5 near the confluence of the Shasta and Klamath Rivers.

SEC. 40. Section 397 of the Streets and Highways Code is amended to read:

397. Route 97 is from Route 5 in Weed to the Oregon state line near Dorris.

SEC. 41. Section 399 of the Streets and Highways Code is amended to read:

399. Route 99 is from:

(a) Route 5 south of Bakersfield to Route 50 in Sacramento.

(b) Route 5 in Sacramento to Route 5 near Red Bluff, passing near Catlett and Tudor.

SEC. 42. Section 403 is added to the Streets and Highways Code, to read:

403. Route 103 is from Route 47 in Long Beach to Route 1.

SEC. 43. Section 404 of the Streets and Highways Code is amended to read:

404. Route 104 is from:

(a) Route 99 near Arno to Route 88 near Ione.

(b) Route 88 west of Martell to Route 88 southwest of Pine Grove via the vicinity of Sutter Creek.

SEC. 44. Section 408 of the Streets and Highways Code is amended to read:

408. Route 108 is from:

(a) Route 5 near Crows Landing to Route 99.

(b) Route 132 in Modesto to Route 120 in Oakdale.

(c) Route 120 near Yosemite Junction to Route 49 south of Jamestown.

(d) Route 49 to Route 395 via the vicinity of Sonora and Long Barn.

SEC. 45. Section 409 is added to the Streets and Highways Code, to read:

409. Route 109 is from the vicinity of Notre Dame Avenue in East Palo Alto to Route 84.

SEC. 46. Section 414 of the Streets and Highways Code is amended to read:

414. Route 114 is from Route 280 in Menlo Park to Route 84.

SEC. 47. Section 421 of the Streets and Highways Code is amended to read:

421. Route 121 is from:

(a) Route 37 near Sears Point to Route 29 near Napa.

(b) Route 29 in Napa to Route 128.

SEC. 48. Section 438 of the Streets and Highways Code is amended to read:

438. Route 138 is from Route 5 near Gorman to Route 18 near

Crestline.

SEC. 49. Section 449 of the Streets and Highways Code is amended to read:

449. Route 149 is from Route 70 near Wicks Corner to Route 99 south of Chico.

SEC. 50. Section 460 of the Streets and Highways Code is amended to read:

460. Route 160 is from Route 4 near Antioch to Route 51 in Sacramento.

SEC. 51. Section 463 of the Streets and Highways Code is amended to read:

463. Route 163 is from Route 5 near Balboa Park in San Diego to Route 15 near Miramar Naval Air Station.

SEC. 52. Section 472 of the Streets and Highways Code is amended to read:

472. Route 172 is from Route 36 at Mineral to Route 36 near Morgan Summit.

SEC. 53. Section 480 of the Streets and Highways Code is amended to read:

480. Route 180 is from:

(a) Route 25 near Paicines to Route 5.

(b) Route 5 to Route 99 passing near Mendota.

(c) Route 99 near Fresno to the General Grant Grove section of Kings Canyon National Park.

(d) The General Grant Grove section of Kings Canyon National Park to Kings Canyon National Park boundary near Cedar Grove.

SEC. 54. Section 485 of the Streets and Highways Code is amended to read:

485. Route 185 is from Route 92 in Hayward to Route 77 in Oakland.

SEC. 55. Section 493 of the Streets and Highways Code is amended to read:

493. Route 193 is from:

(a) Route 65 near Lincoln to Route 80 near Newcastle.

(b) Route 49 near Cool to Route 49 near Placerville via Georgetown.

SEC. 56. Section 507 of the Streets and Highways Code is amended to read:

507. Route 207 is from Route 4 near Lake Alpine to the Mt. Reba Ski Area.

SEC. 57. Section 508 of the Streets and Highways Code is repealed.

SEC. 58. Section 511 is added to the Streets and Highways Code, to read:

511. Route 211 is from Route 1 near Rockport to Route 101 near Fernbridge.

SEC. 59. Section 521 of the Streets and Highways Code is amended to read:

521. Route 221 is from Route 29 near Suscol Road to Route 121 at

Imola Avenue in Napa.

SEC. 60. Section 544 of the Streets and Highways Code is amended to read:

544. Route 244 is from Route 80 to Fair Oaks Boulevard near San Juan Avenue.

SEC. 61. Section 551 of the Streets and Highways Code is amended to read:

551. Route 251 is from:

(a) Route 580 near Point San Quentin to Route 101 near Greenbrae.

(b) Route 101 near San Rafael to Route 1 near Point Reyes Station.

SEC. 62. Section 560 of the Streets and Highways Code is amended to read:

560. Route 260 is from Route 61 in Alameda to Route 880 in Oakland near Seventh and Harrison Streets.

SEC. 63. Section 562 of the Streets and Highways Code is amended to read:

562. Route 262 is from Route 880 to Route 680 near Warm Springs.

Route 262 shall cease to be a state highway when Route 237 is constructed between Route 880 and Route 680.

SEC. 64. Section 566 of the Streets and Highways Code is amended to read:

566. Route 266 is from Route 168 near Oasis to the Nevada state line.

SEC. 65. Section 580 of the Streets and Highways Code is amended to read:

580. Route 280 is from Route 101 in San Jose to Route 80 near First Street in San Francisco via Daly City.

Notwithstanding the provisions of Section 89 of Chapter 1062 of the Statutes of 1959, construction of all or any portion of Route 280 from Route 101 near Alemany Boulevard to Route 480 near Harrison Street in San Francisco may be commenced at any time, if the City and County of San Francisco has conveyed or does convey to the State of California, without charge, all real property presently acquired by it for the construction of that portion of this route or any portion thereof.

SEC. 66. Section 618 of the Streets and Highways Code is amended to read:

618. Route 580 is from:

(a) Route 5 southwest of Vernalis to Route 80 near Oakland via the vicinity of Dublin and Hayward.

(b) Route 80 near Albany to Route 101 near San Rafael via the Richmond-San Rafael Bridge.

SEC. 67. Section 619 of the Streets and Highways Code is amended to read:

619. Route 605 is from:

(a) Route 1 near Seal Beach to Route 405.

(b) Route 405 to Route 210 near Duarte.

Route 605 shall be known and designated as the "San Gabriel River

Freeway."

SEC. 68. Section 622 is added to the Streets and Highways Code, to read:

622. Route 710 is from Route 1 to Route 210 in Pasadena.

SEC. 69. Section 625 is added to the Streets and Highways Code, to read:

625. Route 880 is from Route 280 in San Jose to Route 80 in Oakland.

CHAPTER 410

An act to amend Section 44018 of the Health and Safety Code, relating to vehicle inspections.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 44018 of the Health and Safety Code is amended to read:

44018. The motor vehicle inspection program may include advisory safety and fuel efficiency checks on the motor vehicle if the department finds that a cost effective method for conducting a check exists and that the cost of the inspection to the vehicle owner due to the additional checks would not be increased by more than 10 percent. The department shall specify the equipment to be checked and the procedures for conducting the checks.

CHAPTER 411

An act to amend Sections 9840, 9851, 9856, 9860, 9862, and 9870 of the Vehicle Code, relating to vessels.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 9840 of the Vehicle Code is amended to read:

9840. As used in this division, unless the context clearly requires a different meaning:

(a) "Vessel" includes every description of watercraft used or capable of being used as a means of transportation on water, except the following:

(1) A seaplane on the water.

(2) A watercraft specifically designed to operate on a permanently fixed course, the movement of which is restricted to or guided on such permanently fixed course by means of a mechanical device on a fixed track or arm to which the watercraft is attached or by which the watercraft is controlled, or by means of a mechanical device attached to the watercraft itself.

(3) A floating structure which is designed and built to be used as a stationary waterborne residential dwelling, which (A) does not have and is not designed to have a mode of power of its own, (B) is dependent for utilities upon a continuous utility linkage to a source originating on shore, and (C) has a permanent, continuous hookup to a shoreside sewage system.

(b) "Owner" is a person having all the incidents of ownership, including the legal title, of a vessel whether or not such person lends, rents, or pledges such vessel; the person entitled to the possession of a vessel as the purchaser under a conditional sale contract; or the mortgagor of a vessel. "Owner" does not include a person holding legal title to a vessel under a conditional sales contract, the mortgagee of a vessel, or the renter or lessor of a vessel to the state or to any county, city, district, or political subdivision of the state under a lease, lease-sale, or rental-purchase agreement which grants possession of the vessel to the lessee for a period of 30 consecutive days or more.

(c) "Legal owner" is a person holding the legal title to a vessel under a conditional sale contract, the mortgagee of a vessel, or the renter or lessor of a vessel to the state, or to any county, city, district or political subdivision of the state, under a lease, lease-sale, or rental-purchase agreement which grants possession of the vessel to the lessee for a period of 30 consecutive days or more.

(d) "Registered owner" is the person registered by the department as the owner of the vessel.

(e) "Waters of this state" means any waters within the territorial limits of this state.

(f) "State of principal use" means the state on which waters a vessel is used or intended to be used most during a calendar year.

(g) "Undocumented vessel" means any vessel which is not required to have and does not have a valid marine document issued by the Bureau of Customs of the United States or any federal agency successor thereto.

(h) "Use" means operate, navigate, or employ.

SEC. 2. Section 9851 of the Vehicle Code is amended to read:

9851. The department may promulgate rules and regulations for the registration of undocumented vessels belonging to the state, local public agencies, or to the United States without payment of fees specified in this code, except fees for duplicate certificates of ownership, duplicate certificates of number, or substitute current year registration stickers.

SEC. 3. Section 9856 of the Vehicle Code is amended to read:

9856. (a) It is not required that the department issue, or that an

application be made for a new certificate of ownership or a new certificate of number, or that the fee prescribed in Section 9855 be paid on transfer of an undocumented vessel to a dealer in the course of his business as is otherwise provided in this division, if both of the following conditions are satisfied:

(1) The vessel is held and operated by the dealer only for the purpose of resale in the course of his business.

(2) The dealer has been issued a sales permit by the Board of Equalization covering sale of such property.

(b) The certificate of ownership bearing the endorsement of the transferor to the dealer of a vessel registered pursuant to this section and the certificate of number thereof shall be retained by the dealer until a transfer of the vessel by him. During that time the certificates shall be subject to inspection by the department or other authorized agency. Upon transfer of the vessel by the dealer the certificate of ownership shall be endorsed by the dealer and transfer further accomplished as otherwise provided in this division.

SEC. 4. Section 9860 of the Vehicle Code is amended to read:

9860. Certificates of number shall be renewed before midnight of the expiration date every year by presentation of the certificate of number last issued for the vessel or by presentation of a potential registration card issued by the department. The fee for renewal shall be five dollars ($5) per year and shall accompany the request for renewal.

SEC. 5. Section 9862 of the Vehicle Code is amended to read:

9862. (a) If the initial application for a number is not received by the department on or before the date set by the department, a penalty of one-half the fee shall be assessed. If a certificate of number is not renewed on or before midnight of the expiration date, a penalty of one-half the fee shall be assessed, except where the vessel has not been used on the waters of the state subsequent to the expiration date.

(b) Whenever any person has received as a transferee of a vessel a properly endorsed certificate of ownership and certificate of number describing that vessel and the transfer fee has not been paid as required by this code within 30 days, a penalty of one-half of the transfer fee specified in Section 9855 shall be assessed.

SEC. 6. Section 9870 of the Vehicle Code is amended to read:

9870. A nonprofit public benefit corporation governed by the Nonprofit Public Benefit Corporation Law (Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code), which purposes relate to promoting the ability of boys and girls to do things for themselves, to train them in scoutcraft and camping, and to teach them patriotism, courage, self-reliance and kindred virtues, shall not be required to pay the fees provided for in Sections 9853, 9855, and 9860.

CHAPTER 412

An act to add Section 13823.3 to the Penal Code, relating to crimes.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 13823.3 is added to the Penal Code, to read:

13823.3. The office may expend funds for local domestic violence programs, subject to the availability of funds therefor.

CHAPTER 413

An act to repeal Section 10156 of the Business and Professions Code, relating to real estate licensees.

[Approved by Governor July 11, 1984 Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 10156 of the Business and Professions Code is repealed.

CHAPTER 414

An act to amend Section 10213.6 of the Business and Professions Code, relating to real estate licenses.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 10213.6 of the Business and Professions Code is amended to read:

10213.6. If an applicant for any examination fails to take the examination on the date scheduled, he or she may make application in writing to the principal office of the department in Sacramento for a new date. A fee of fifteen dollars ($15) shall accompany the written request for applying for the first new examination date in the case of a broker applicant, and a fee of ten dollars ($10) shall accompany the written request for the first new examination date in the case of a salesman applicant. A fee of twenty-five dollars ($25) shall accompany the written request for all subsequent new examination dates for both broker and salesman applicants.

CHAPTER 415

An act to amend Section 51295 of the Government Code, relating to the California Land Conservation Act of 1965.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 51295 of the Government Code is amended to read:

51295. When any action in eminent domain for the condemnation of the fee title of an entire parcel of land subject to a contract is filed or when that land is acquired in lieu of eminent domain for a public improvement by a public agency or person or whenever there is any action or acquisition by the federal government or any person, instrumentality or agency acting under authority or power of the federal government, the contract shall be deemed null and void as to the land actually being condemned or so acquired as of the date the action is filed and for the purposes of establishing the value of the land, the contract shall be deemed never to have existed.

Upon the termination of the proceeding, the contract shall be null and void for all land actually taken or acquired.

When an action to condemn or acquire less than all of a parcel of land subject to a contract is commenced, the contract shall be deemed null and void as to the land actually condemned or acquired and shall be disregarded in the valuation process only as to the land actually being taken, unless the remaining land subject to contract will be adversely affected by the condemnation, in which case the value of that damage shall be computed without regard to the contract.

When an action to condemn or acquire an interest which is less than the fee title of an entire parcel or any portion thereof, of land subject to a contract is commenced, the contract shall be deemed null and void as to that interest and for the purpose of establishing the value of that interest only shall be deemed never to have existed, unless the remaining interests in any of the land subject to the contract will be adversely affected, in which case the value of that damage shall be computed without regard to the contract.

The land actually taken shall be removed from the contract. Under no circumstances shall land be removed that is not actually taken, except that when only a portion of the land or less than a fee interest in the land is taken or acquired, the contract may be canceled with respect to the remaining portion or interest upon petition of either party and pursuant to the provisions of Article 5 (commencing with Section 51280).

For the purposes of this section, a finding by the board or council

that no authorized use may be made of the land if the contract is continued on the remaining portion or interest in the land may satisfy the requirements of subdivision (a) of Section 51282.

CHAPTER 416

An act to add and repeal Section 18305.5 of the Health and Safety Code, relating to the 1984 Olympic Games, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 18305.5 is added to the Health and Safety Code, to read:

18305.5. (a) Notwithstanding any other provision of law, in order to provide additional housing and facilities for the 1984 Olympics, a city, county, or city and county, may authorize the use of temporary sites for recreational vehicles if the use of those sites is limited to the period from July 1, 1984, to August 23, 1984, inclusive, and is limited to sites within 50 miles of any official 1984 Summer Olympics activity site. The authorizing local government shall establish and enforce reasonable standards for health and safety which are consistent with the intent of this part for any approved temporary site. A city council or county board of supervisors may establish reasonable fees to recover all of the reasonable local government costs. Additional fees may be added in an amount not to exceed the prevailing fee charged at existing public recreational vehicle parks as determined by the city council or county board of supervisors.

(b) Subdivision (a) shall not apply to tidelands; wildlife habitats designated for protection by federal, state, or local governmental entities; wetlands, which are lands which may be covered periodically or permanently with shallow water and include salt water marshes, fresh water marshes, open or closed brackish water marshes, swamps, mud flats and fens; lagoons; or the El Segundo Sand Dunes System.

(c) This section shall remain in effect only until January 1, 1985, and on that date is repealed.

SEC. 2. This measure revises and supplements a statutory system contained in Senate Bill 1432 of the 1983–84 Regular Session of the Legislature, relating to traffic congestion during the 1984 Olympic Games, in that this measure addresses the need for upholding county collective-bargaining agreements with respect to the observance of Admission Day as a holiday. Accordingly, this measure shall become operative only if Senate Bill 1432 of the 1983–84 Regular Session is enacted.

SEC. 3. Notwithstanding any other provision of law to the contrary, no superior, municipal, or justice court shall be open for the transaction of judicial business on September 10, 1984, but shall be open for normal judicial business on August 6, 1984, in any county in which September 10, 1984, is a holiday for county court employees.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for this act to take effect before September 10, 1984, and the 1984 Olympic Games, it is necessary that this act take effect immediately.

CHAPTER 417

An act to amend Sections 11260, 11261, 11266, and 11270 of, and to add Section 11267 to, the Health and Safety Code, relating to controlled substances, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 11260 of the Health and Safety Code is amended to read:

11260. The Legislature finds and declares that the potential medicinal value of Cannabis sativa has received insufficient study due to a lack of financial incentives for the undertaking of appropriate research by private drug manufacturing concerns. Individual physicians cannot feasibly utilize cannabis in clinical trials because of governmental controls which involve expensive, time consuming approval and monitoring procedures.

The Legislature further finds and declares that limited studies at the University of California at Los Angeles and elsewhere indicate that cannabis and certain of its derivatives possess valuable and in some cases unique therapeutic properties, including the ability to relieve nausea and vomiting which routinely accompany chemotherapy and irradiation used to treat cancer patients. Cannabis has been shown to be potentially effective in reducing intraocular pressure in glaucoma patients who do not respond well to conventional medications.

The Legislature further finds and declares that, in enabling individual physicians and their patients to participate in a state sponsored program for the investigational use of cannabis and its derivatives, qualified physicians and surgeons throughout the state will be able to study the benefits of the drug in a controlled clinical

setting and additional knowledge will be gained with respect to dosage and effects. The Research Advisory Panel shall endeavor to include in the program oncologists and ophthalmologists in diverse geographic locations in California.

It is the intent of the Legislature in enacting this article to encourage research into the therapeutic applications of cannabis and its derivatives in cancer patients. This would allow qualified oncologists approved by the Research Advisory Panel to provide the drug on a compassionate basis to seriously ill persons who would otherwise have no lawful access to it. It is further the intent of the Legislature to facilitate clinical trials of cannabis and its derivatives, particularly with respect to persons suffering from cancer who would be benefitted by use of the drug and glaucoma patients who have failed to respond to conventional medical treatment.

Glaucoma is a blinding disease that is adequately controlled by conventional treatment in the vast majority of cases. This article is intended to encourage clinical trials to establish optimal medical prescriptive use of cannabis and its derivatives, and to discourage inappropriate attempts of persons to self medicate glaucoma with illicit cannabis. Further, the legislative intent is that cannabis and its derivatives must be used under medical supervision and these drugs should not be used to the exclusion of treatments of established effectiveness.

This article is limited to clinical trials and research into therapeutic applications of cannabis and should not be construed as either encouraging or sanctioning the social use of marijuana.

SEC. 2. Section 11261 of the Health and Safety Code is amended to read:

11261. The Research Advisory Panel specified in Section 11480 shall establish a pilot program for research into the medical uses of Cannabis sativa and its derivatives. Under the program, the Research Advisory Panel shall act as a sponsor of statewide investigational studies utilizing as drug investigators individual physicians and surgeons who elect to participate in accordance with the protocols developed by the Research Advisory Panel. Participating physicians and surgeons shall receive no compensation from the Research Advisory Panel, but may charge subjects for medical services provided in connection with the program.

The Research Advisory Panel shall endeavor to include in the program clinical trials with respect to patients suffering from cancer and clinical trials for glaucoma patients.

Participants in the program are exempt from state prosecution for possession and distribution of marijuana, with respect to use of marijuana authorized by this article.

SEC. 3. Section 11266 of the Health and Safety Code is amended to read:

11266. The pilot program shall be terminated on December 31, 1988. The Research Advisory Panel shall annually report to the Legislature on the status and results of the pilot program, with a final

report to be submitted on or before January 30, 1989. The reports shall specify the number of participating physicians and patients, the amount of cannabis and its derivatives used in the program, the cost involved, and a summary of findings made concerning therapeutic uses of cannabis and its derivatives. The reports shall also contain recommendations concerning continuance of the pilot program.

SEC. 4. Section 11267 is added to the Health and Safety Code, to read:

11267. (a) During the authorized extension of the pilot program, the Research Advisory Panel shall do the following:

(1) Continue the research into the medicinal value of cannabis and its derivatives for relieving nausea, vomiting, and other side effects which routinely accompany chemotherapy and irradiation used to treat cancer patients.

(2) Make the findings known through proper medical channels so that the largest number of sufferers may benefit from the findings.

(3) Continue its program of compassionate access to cannabis for those undergoing chemotherapy treatments. The panel shall take advantage of federal programs which would result in the state's receiving the substances at the lowest possible cost, commensurate with proper medical standards.

(4) Establish a program of research into the use of cannabis and its derivatives to determine its potential effectiveness in reducing intraocular pressure in glaucoma patients who do not respond well to conventional medication. The panel shall be responsible for establishing protocols, for working with the medical community and with ophthalmologists, and taking whatever steps are necessary to further the program.

(5) The standards and guidelines set down in Sections 11260 and 11261, as applied to the program of reseach for cannabis for chemotherapy patients, shall apply to this program, where applicable. This shall include compassionate access for patients under proper controls.

(6) Attempt to point out the dangers of improper use of cannabis by glaucoma sufferers.

(b) The Legislative Analyst shall prepare a report to the Legislature on or before April 1, 1989, on the accomplishments of the two programs, number of patients helped, and similar findings, and recommend to the Legislature whether the program or programs should be extended, and under what terms.

SEC. 5. Section 11270 of the Health and Safety Code is amended to read:

11270. This article shall remain in effect only until June 30, 1989, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1989, deletes or extends such date.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to continue providing access to Cannabis sativa for cancer victims, to provide access to Cannabis sativa for glaucoma victims, and to continue obtaining important research data on Cannabis sativa for therapeutic purposes, it is necessary that this act go into immediate effect.

CHAPTER 418

An act to add Section 42243.9 to the Education Code, relating to schools, and making an appropriation therefor.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 11, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 42243.9 is added to the Education Code, to read:

42243.9. The governing board of any school district maintaining a program designed to remedy the harmful effects of racial segregation which originated under a court mandate may, in accordance with procedures established by the State Board of Control, submit a claim for reimbursement to the Controller for the costs of the program not otherwise reimbursed due to insufficient funds under Section 42243.6, or any other provision of law. The Controller shall review each claim submitted and shall approve reimbursement for the full costs of these programs not otherwise reimbursed. Claims for reimbursement shall be approved only for school districts which are eligible to receive reimbursement for programs to remedy the harmful effects of racial segregation under Section 42243.6.

SEC. 2. (a) The sum of up to seven million dollars ($7,000,000) is hereby appropriated from the General Fund for transfer to the Controller for reimbursement of claims in the 1984–85 fiscal year to school districts for the costs of programs, other than court-mandated programs, designed to remedy the harmful effects of racial segregation. These costs shall be limited to amounts approved by the Board of Control pursuant to Section 42249.

(b) The sum of up to thirty million dollars ($30,000,000) is hereby appropriated from the General Fund for transfer to the Controller for purposes of Section 42243.9 of the Education Code in the 1984–85 fiscal year.

CHAPTER 419

An act to amend Section 366.25 of the Welfare and Institutions Code, relating to juvenile court law.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 366.25 of the Welfare and Institutions Code is amended to read:

366.25. (a) In order to provide stable, permanent homes for children, a court shall, if the minor cannot be returned home pursuant to subdivision (e) of Section 366.2, conduct a permanency planning hearing to make a determination regarding the future status of the minor no later than 12 months after the original placement and periodically, but no less frequently than once each 18 months, thereafter during the continuation of foster care. The permanency planning hearing may be combined with the six months' review as provided for in Section 366.

(b) Notice of the proceeding to conduct the review shall be mailed by the probation officer to the same persons as in an original proceeding, to the minor's present custodian, and to the counsel of record, by certified mail addressed to the last known address of the person to be notified, or shall be personally served on those persons not earlier than 30 days, nor later than 15 days prior to the date the review is to be conducted.

(c) At the hearing the court shall first determine whether the minor should be returned to his or her parent or guardian, pursuant to subdivision (e) of Section 366.2. If the minor is not returned to the custody of his or her parent or guardian the court shall determine whether there is a substantial probability that the minor will be returned to the physical custody of his or her parent or guardian within six months. If the court so determines it shall set another review hearing for not more than six months, which shall be a permanency planning hearing.

(d) If the court determines that the minor cannot be returned to the physical custody of his or her parent or guardian and that there is not a substantial probability that the minor will be returned within six months, the court shall develop a permanent plan for the minor. In order to enable the minor to obtain a permanent home the court shall make the following determinations and orders:

(1) If the court finds that the minor is adoptable, according to the provisions of this article, the court shall order the county counsel, or if there is no county counsel, the district attorney, to initiate an action to declare the minor permanently free from the custody and control of his or her parents or guardians pursuant to Section 232 of the Civil Code, unless the court finds that any of the following conditions exist:

(A) The parents or guardians have maintained regular visitation and contact with the minor and the minor would benefit from continuing this relationship.

(B) A minor 12 years of age or older objects to termination of parental rights.

(C) The minor's foster parents are unable to adopt the minor because of exceptional circumstances which do not include an unwillingness to accept legal responsibility for the minor, but are willing and capable of providing the minor with a stable and permanent environment and the removal of the minor from the physical custody of his or her foster parents would be seriously detrimental to the emotional well-being of the minor.

(2) If the court finds that the minor is unadoptable or that one of the conditions in subparagraph (A), (B), or (C) of paragraph (1) applies, the court shall order the appropriate county department to facilitate the placement of the minor in a home environment that can be reasonably expected to be stable and permanent. This may be accomplished by initiating legal guardianship proceedings or long-term foster care. Legal guardianship shall be considered before long-term foster care, if it is in the best interests of the child and if a suitable guardian can be found. When the minor is in a foster home and the foster parents are willing and capable of providing a stable and permanent environment, the minor shall not be removed from the home if the removal would be seriously detrimental to the emotional well-being of the minor because the minor has substantial psychological ties to the foster parents.

(e) Notwithstanding Section 1510 of the Probate Code, the proceeding for the appointment for a guardian for a minor under this section shall be in the juvenile court. In such a case, the juvenile court may appoint a guardian pursuant to the standards and procedures otherwise specified by the Probate Code.

(f) When an adoption of the minor has been granted, the court shall terminate its jurisdiction over the minor.

(g) Periodic reviews conducted by the court subsequent to the initial permanency planning hearing shall determine the appropriateness of the placement, the continuing appropriateness and extent of compliance with the permanent plan for the child, the extent of compliance with the case plan, and adequacy of services provided to the child.

(h) Physical custody of a minor by his or her parents or guardians for insubstantial periods during the 12-month period prior to a permanency planning hearing shall not serve to interrupt the running of those periods.

(i) Permanency planning hearings need not be held if (1) an action under Section 232 of the Civil Code has been commenced or (2) an action to establish a legal guardianship or appoint a legal guardian under the Probate Code has been commenced.

(j) Subsequent reviews shall be conducted every six months and be conducted by an administrative review board except when the

court requires a court review or a court review is requested by the minor's parents or guardian or by the minor.

SEC. 2. Section 366.25 of the Welfare and Institutions Code is amended to read:

366.25. (a) In order to provide stable, permanent homes for children, a court shall, if the minor cannot be returned home pursuant to subdivision (e) of Section 366.2, conduct a permanency planning hearing to make a determination regarding the future status of the minor no later than 12 months after the original placement and periodically, but no less frequently than once each 18 months, thereafter during the continuation of foster care. The permanency planning hearing may be combined with the six months' review as provided for in Section 366.

(b) Notice of the proceeding to conduct the review shall be mailed by the probation officer to the same persons as in an original proceeding, to the minor's present custodian, and to the counsel of record, by certified mail addressed to the last known address of the person to be notified, or shall be personally served on those persons not earlier than 30 days, nor later than 15 days prior to the date the review is to be conducted.

(c) At the hearing the court shall first determine whether the minor should be returned to his or her parent or guardian, pursuant to subdivision (e) of Section 366.2. If the minor is not returned to the custody of his or her parent or guardian the court shall determine whether there is a substantial probability that the minor will be returned to the physical custody of his or her parent or guardian within six months. If the court so determines, it shall set another review hearing for not more than six months, which shall be a permanency planning hearing.

(d) If the court determines that the minor cannot be returned to the physical custody of his or her parent or guardian and that there is not a substantial probability that the minor will be returned within six months, the court shall develop a permanent plan for the minor. In order to enable the minor to obtain a permanent home the court shall make the following determinations and orders:

(1) If the court finds that the minor is adoptable, according to the provisions of this article, the court shall order the county counsel, or if there is no county counsel, the district attorney, to initiate an action to declare the minor permanently free from the custody and control of his or her parents or guardians pursuant to Section 232 of the Civil Code, unless the court finds that any of the following conditions exist:

(A) The parents or guardians have maintained regular visitation and contact with the minor and the minor would benefit from continuing this relationship.

(B) A minor 12 years of age or older objects to termination of parental rights.

(C) The minor's foster parents are unable to adopt the minor because of exceptional circumstances which do not include an unwillingness to accept legal responsibility for the minor, but are

willing and capable of providing the minor with a stable and permanent environment and the removal of the minor from the physical custody of his or her foster parents would be seriously detrimental to the emotional well-being of the minor.

(2) If the court finds that the minor is unadoptable or that one of the conditions in subparagraph (A), (B), or (C) of paragraph (1) applies, the court shall order the appropriate county department to facilitate the placement of the minor in a home environment that can be reasonably expected to be stable and permanent. This may be accomplished by initiating legal guardianship proceedings or long-term foster care. Legal guardianship shall be considered before long-term foster care, if it is in the best interests of the child and if a suitable guardian can be found. When the minor is in a foster home and the foster parents are willing and capable of providing a stable and permanent environment, the minor shall not be removed from the home if the removal would be seriously detrimental to the emotional well-being of the minor because the minor has substantial psychological ties to the foster parents.

(e) Notwithstanding Section 1510 of the Probate Code, the proceeding for the appointment for a guardian for a minor under this section shall be in the juvenile court. In such a case, the juvenile court may appoint a guardian pursuant to the standards and procedures otherwise specified by the Probate Code.

(f) When an adoption of the minor has been granted, the court shall terminate its jurisdiction over the minor.

(g) Periodic reviews conducted by the court subsequent to the initial permanency planning hearing shall determine the appropriateness of the placement, the continuing appropriateness and extent of compliance with the permanent plan for the child, the extent of compliance with the case plan, and adequacy of services provided to the child.

(h) Physical custody of a minor by his or her parents or guardians for insubstantial periods during the 12-month period prior to a permanency planning hearing shall not serve to interrupt the running of those periods.

(i) Permanency planning hearings need not be held if (1) an action under Section 232 of the Civil Code has been commenced or (2) an action to establish a legal guardianship or appoint a legal guardian under the Probate Code has been commenced.

(j) Subsequent reviews shall be conducted every six months and be conducted by an administrative review board, except when the court requires a court review or a court review is requested by the minor's parents or guardian or by the minor.

(k) Notwithstanding any other provision of law, the application of any person who, as a foster parent, has cared for a dependent child for whom the court has approved a permanent plan for adoption, or who has been freed for adoption, shall be given preference with respect to that child over all other applications for adoptive placement if the agency making the placement determines that the

child has substantial emotional ties to the foster parent and removal from the foster parent would be seriously detrimental to the child's well-being.

As used in this subdivision, "preference" means that the application shall be processed and, if satisfactory, the family study shall be completed before the processing of the application of any other person for the adoptive placement of the child.

SEC. 3. Section 2 of this bill incorporates amendments to Section 366.25 of the Welfare and Institutions Code proposed by both this bill and AB 2880. It shall only become operative if (1) both bills are enacted and become effective on January 1, 1985, (2) each bill amends Section 366.25 of the Welfare and Institutions Code, and (3) this bill is enacted after AB 2880, in which case Section 1 of this bill shall not become operative.

CHAPTER 420

An act to amend Sections 12965 and 12980 of the Government Code, relating to fair employment and housing.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 12965 of the Government Code is amended to read:

12965. (a) In the case of failure to eliminate an unlawful practice under this part through conference, conciliation or persuasion, or in advance thereof if circumstances warrant, the director in his or her discretion may cause to be issued in the name of the department a written accusation. The accusation shall contain the name of the person, employer, labor organization or employment agency accused, which shall be known as the respondent, shall set forth the nature of the charges, shall be served upon the respondent together with a copy of the verified complaint, as amended, and shall require the respondent to answer the charges at a hearing.

For any complaint treated by the director as a group or class complaint for purposes of investigation, conciliation, and accusation pursuant to Section 12961, an accusation shall be issued, if at all, within two years after the filing of the complaint. For all other complaints, an accusation shall be issued, if at all, within one year after the filing of a complaint. If the director determines, pursuant to Section 12961, that a complaint investigated as a group or class complaint under Section 12961 is to be treated as a group or class complaint for purposes of conciliation and accusation as well, such determination shall be made and shall be communicated in writing within one year after the filing of the complaint to each person,

employer, labor organization, employment agency, or public entity alleged in the complaint to have committed an unlawful practice.

(b) If an accusation is not issued within 150 days after the filing of a complaint, or if the department earlier determines that no accusation will issue, the department shall promptly notify, in writing, the person claiming to be aggrieved. Such notice shall indicate that the person claiming to be aggrieved may bring a civil action under this part against the person, employer, labor organization or employment agency named in the verified complaint within one year from the date of such notice. The superior courts of the State of California shall have jurisdiction of such actions. Such an action may be brought in any county in the state in which the unlawful practice is alleged to have been committed, in the county in which the records relevant to such practice are maintained and administered, or in the county in which the aggrieved person would have worked or would have had access to the public accommodation but for the alleged unlawful practice, but if the defendant is not found within any such county, such an action may be brought within the county of defendant's residence or principal office. A copy of any complaint filed pursuant to this part shall be served on the principal offices of the department and of the commission. The remedy for failure to send a copy of a complaint is an order to do so. Such actions may not be filed as class actions or may not be maintained as class actions by the person or persons claiming to be aggrieved where such persons have filed a civil class action in the federal courts alleging a comparable claim of employment discrimination against the same defendant or defendants. In actions brought under this section, the court, in its discretion may award to the prevailing party reasonable attorney fees and costs except where such action is filed by a public agency or a public official, acting in an official capacity.

SEC. 1.5. Section 12965 of the Government Code is amended to read:

12965. (a) In the case of failure to eliminate an unlawful practice under this part through conference, conciliation or persuasion, or in advance thereof if circumstances warrant, the director in his or her discretion may cause to be issued in the name of the department a written accusation. The accusation shall contain the name of the person, employer, labor organization or employment agency accused, which shall be known as the respondent, shall set forth the nature of the charges, shall be served upon the respondent together with a copy of the verified complaint, as amended, and shall require the respondent to answer the charges at a hearing.

For any complaint treated by the director as a group or class complaint for purposes of investigation, conciliation, and accusation pursuant to Section 12961, an accusation shall be issued, if at all, within two years after the filing of the complaint. For all other complaints, an accusation shall be issued, if at all, within one year after the filing of a complaint. If the director determines, pursuant

to Section 12961, that a complaint investigated as a group or class complaint under Section 12961 is to be treated as a group or class complaint for purposes of conciliation and accusation as well, such determination shall be made and shall be communicated in writing within one year after the filing of the complaint to each person, employer, labor organization, employment agency, or public entity alleged in the complaint to have committed an unlawful practice.

(b) If an accusation is not issued within 150 days after the filing of a complaint, or if the department earlier determines that no accusation will issue, the department shall promptly notify, in writing, the person claiming to be aggrieved. Such notice shall indicate that the person claiming to be aggrieved may bring a civil action under this part against the person, employer, labor organization or employment agency named in the verified complaint within one year from the date of such notice. The superior, municipal, and justice courts of the State of California shall have jurisdiction of such actions, and the aggrieved person may file in any of these courts. Such an action may be brought in any county in the state in which the unlawful practice is alleged to have been committed, in the county in which the records relevant to such practice are maintained and administered, or in the county in which the aggrieved person would have worked or would have had access to the public accommodation but for the alleged unlawful practice, but if the defendant is not found within any such county, such an action may be brought within the county of defendant's residence or principal office. A copy of any complaint filed pursuant to this part shall be served on the principal offices of the department and of the commission. The remedy for failure to send a copy of a complaint is an order to do so. Such actions may not be filed as class actions or may not be maintained as class actions by the person or persons claiming to be aggrieved where such persons have filed a civil class action in the federal courts alleging a comparable claim of employment discrimination against the same defendant or defendants. In actions brought under this section, the court, in its discretion may award to the prevailing party reasonable attorney fees and costs except where such action is filed by a public agency or a public official, acting in an official capacity.

SEC. 2. Section 12980 of the Government Code is amended to read:

12980. The provisions of this article govern the procedure for the prevention and elimination of discrimination in housing made unlawful pursuant to Article 2 (commencing with Section 12955) of Chapter 6.

(a) Any person claiming to be aggrieved by an alleged violation of Section 12955 may file with the department a verified complaint in writing which shall state the name and address of the person alleged to have committed the violation complained of, and which shall set forth the particulars thereof and contain such other information as may be required by the department.

The filing of a complaint and pursuit of conciliation or remedy under this part shall not prejudice the complainant's right to pursue effective judicial relief under other applicable laws, but if a civil action has been filed under Section 52 of the Civil Code, the department shall terminate proceedings upon notification of the entry of final judgment unless such judgment is a dismissal entered at the complainant's request.

(b) The Attorney General, the commission, or the director may, in a like manner, make, sign, and file such complaints citing practices which appear to violate the purpose of this part or any specific provisions of this part relating to housing discrimination.

No complaint may be filed after the expiration of 60 days from the date upon which the alleged violation occurred. This period may be extended for not to exceed 60 days following the expiration of the initial 60 days, if a person allegedly aggrieved by such violation first obtained knowledge of the facts of such alleged violation after the expiration of the initial 60 days from date of its occurrence.

(c) The department may thereupon proceed upon such complaint in the same manner and with the same powers as provided in this part in the case of an unlawful practice.

(d) If an accusation is not issued within 150 days after the filing of a complaint, or if the department earlier determines that no accusation will issue, the department shall promptly notify the person claiming to be aggrieved. This notice shall, in any event, be issued no more than 30 days after the date of the determination or 30 days after the date of the expiration of the 150-day period, whichever date first occurs. Such notice shall indicate that the person claiming to be aggrieved may bring a civil action under this part against the person named in the verified complaint within one year from the date such notice is mailed. The superior courts of the State of California shall have jurisdiction of such actions. Such an action may be brought in any county in the state in which the violation is alleged to have been committed, or in the county in which the records relevant to such alleged violation are maintained and administered, but if the defendant is not found within any such county, such an action may be brought within the county of defendant's residence or principal office. A copy of any complaint filed pursuant to this part shall be served on the principal offices of the department and of the commission. The remedy for failure to send a copy of a complaint is an order to do so. In a civil action brought under this section, the court, in its discretion, may award to the prevailing party reasonable attorney fees.

SEC. 2.5. Section 12980 of the Government Code is amended to read:

12980. The provisions of this article govern the procedure for the prevention and elimination of discrimination in housing made unlawful pursuant to Article 2 (commencing with Section 12955) of Chapter 6.

(a) Any person claiming to be aggrieved by an alleged violation

of Section 12955 may file with the department a verified complaint in writing which shall state the name and address of the person alleged to have committed the violation complained of, and which shall set forth the particulars thereof and contain such other information as may be required by the department.

The filing of a complaint and pursuit of conciliation or remedy under this part shall not prejudice the complainant's right to pursue effective judicial relief under other applicable laws, but if a civil action has been filed under Section 52 of the Civil Code, the department shall terminate proceedings upon notification of the entry of final judgment unless such judgment is a dismissal entered at the complainant's request.

(b) The Attorney General, the commission, or the director may, in a like manner, make, sign, and file such complaints citing practices which appear to violate the purpose of this part or any specific provisions of this part relating to housing discrimination.

No complaint may be filed after the expiration of 60 days from the date upon which the alleged violation occurred. This period may be extended for not to exceed 60 days following the expiration of the initial 60 days, if a person allegedly aggrieved by such violation first obtained knowledge of the facts of such alleged violation after the expiration of the initial 60 days from date of its occurrence.

(c) The department may thereupon proceed upon such complaint in the same manner and with the same powers as provided in this part in the case of an unlawful practice.

(d) If an accusation is not issued within 150 days after the filing of a complaint, or if the department earlier determines that no accusation will issue, the department shall promptly notify the person claiming to be aggrieved. This notice shall, in any event, be issued no more than 30 days after the date of the determination or 30 days after the date of the expiration of the 150-day period, whichever date first occurs. Such notice shall indicate that the person claiming to be aggrieved may bring a civil action under this part against the person named in the verified complaint within one year from the date such notice is mailed. The superior, municipal, and justice courts of the State of California shall have jurisdiction of such actions, and the aggrieved person may file in any of these courts. Such an action may be brought in any county in the state in which the violation is alleged to have been committed, or in the county in which the records relevant to such alleged violation are maintained and administered, but if the defendant is not found within any such county, such an action may be brought within the county of defendant's residence or principal office. A copy of any complaint filed pursuant to this part shall be served on the principal offices of the department and of the commission. The remedy for failure to send a copy of a complaint is an order to do so. In a civil action brought under this section, the court, in its discretion, may award to the prevailing party reasonable attorney fees.

SEC. 3. Section 1.5 of this bill incorporates amendments to

Section 12965 of the Government Code proposed by both this bill and AB 2420. It shall only become operative if (1) both bills are enacted and become effective on January 1, 1985, (2) each bill amends Section 12965 of the Government Code, and (3) this bill is enacted after AB 2420, in which case Section 1 of this bill shall not become operative.

SEC. 4. Section 2.5 of this bill incorporates amendments to Section 12980 of the Government Code proposed by both this bill and AB 2420. It shall only become operative if (1) both bills are enacted and become effective on January 1, 1985, (2) each bill amends Section 12980 of the Government Code, and (3) this bill is enacted after AB 2420, in which case Section 2 of this bill shall not become operative.

CHAPTER 421

An act to amend Section 19610.3 of the Business and Professions Code, relating to horseracing, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 19610.3 of the Business and Professions Code is amended to read:

19610.3. In addition to the amounts required or allowed to be deducted from the parimutuel pools as provided by this chapter, and except as otherwise provided in this section, every association which conducts a racing meeting may elect permanently to deduct an additional amount up to 0.33 of 1 percent from the total parimutuel wagers placed within its inclosure. This election is not available to the California Exposition and State Fair or to a county or district agricultural association fair unless, prior to January 1, 1984, the city or county in which the fair meeting was being conducted levied a license fee or excise tax pursuant to Section 19495 or imposed an admission tax on track patrons.

The amounts deducted pursuant to this section shall be distributed to the city in which the racing meeting is conducted or, if the meeting is conducted outside the limits of any city, to the county in which the racing meeting is conducted. If a city or county has elected by ordinance to receive a distribution from a racing association under this section, it shall not at any time thereafter assess or collect, with respect to an event conducted by that racing association, any license or excise tax or fee, including, but not limited to, any admission, parking, or business tax, or any tax or fee levied solely upon the racing association conducting a racing meeting or any racing patron.

Further, a city or county electing to receive a distribution under this section shall continue to provide ordinary and traditional municipal services, such as police services and traffic control, in connection with racing meetings. "Ordinary and traditional services," as used in this section, means those services provided by the city or county at no charge to the racing association in 1981. If an eligible city or county does not elect to receive a distribution under this section, the amount deducted shall be paid to the state as an additional license fee.

This section shall remain in effect only until January 1, 1988, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1988, deletes or extends that date.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for this act to apply to the 1984 racing schedule, it is necessary that this act take effect immediately.

CHAPTER 422

An act to add Section 10902.5 to the Education Code, relating to community recreation.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 10902.5 is added to the Education Code, to read:

10902.5. Any individual who willfully, and without just cause, interferes with or disrupts the recreational activities of individuals, groups, or entities granted the use of a recreation center by a governing body is guilty of an infraction, and shall be punished by a fine of not more than two hundred dollars ($200).

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 423

An act to amend Section 1 of Chapter 1515 of the Statutes of 1969 and Section 3 of Chapter 513 of the Statutes of 1978, relating to state property.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1 of Chapter 1515 of the Statutes of 1969 is amended to read:

Section 1. The Director of General Services is hereby authorized and directed to quitclaim to the city of Fresno, at no cost to the city, all interests of the state in that portion of land adjacent to the Fresno Air Terminal in Section 20, Township 13 South, Range 21 East, Mount Diablo base and meridian that was formerly owned by the United States of America, given to the State of California for use by Fresno State College, and has been declared surplus, being some 248 acres, more or less, since some 104.5 acres have already been conveyed by the director to the City of Clovis. The land quitclaimed to the City of Fresno, pursuant to this section, shall be upon the condition that in the event the City of Fresno sells all or any portion of the land, 7 percent of the gross sale proceeds, on each sale, shall be paid to the state. Payment to the state shall be made within 60 days from the date the sale is closed.

SEC. 2. Section 3 of Chapter 513 of the Statutes of 1978 is amended to read:

Sec. 3. As a condition to the operation of this bill, with respect to the property described in Section 1 of this bill, the Director of General Services shall convey all interest except, and reserving to the state, all mineral deposits, as defined in Section 6407 of the Public Resources Code, below a depth of 500 feet, together with the right to prospect for, mine, and remove these deposits. The right to prospect for, mine, and remove these deposits shall be limited to those areas of the property conveyed which the director, after consultation with the State Lands Commission, determines to be reasonably necessary for the removal of these resources and deposits.

CHAPTER 424

An act to add Section 1029.1 to the Government Code, and to amend Section 1731.5 of the Welfare and Institutions Code, relating to law enforcement, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1029.1 is added to the Government Code, to read:

1029.1. The Department of Corrections and the Department of the Youth Authority shall complete a background investigation, using as guidelines standards defined by the Commission on Peace Officer Standards and Training, of any applicant for employment as a peace officer before the applicant may be employed or begin training as a peace officer. In order to reduce potential duplication of effort by individual institutions, investigations shall be accomplished by each department on a centralized or regional basis to the extent administratively feasible.

SEC. 2. Section 1731.5 of the Welfare and Institutions Code is amended to read:

1731.5. (a) After certification to the Governor as provided in this article, a court may commit to the authority any person convicted of a public offense who comes within paragraphs (1), (2), and (3), or paragraphs (1), (2), and (4), below:

(1) Is found to be less than 21 years of age at the time of apprehension.

(2) Is not convicted of first degree murder, committed when that person was 18 years of age or older, or sentenced to death, imprisonment for life, imprisonment for 90 days or less, or the payment of a fine, or after having been directed to pay a fine, defaults in the payment thereof, and is subject to imprisonment for more than 90 days under the judgment.

(3) Is not granted probation.

(4) Was granted probation and probation is revoked and terminated.

(b) The Youth Authority shall accept a person committed to it pursuant to this article if it believes that the person can be materially benefited by its reformatory and educational discipline, and if it has adequate facilities to provide that care.

(c) Any person under the age of 21 years who is not committed to the authority pursuant to this section may be transferred to the authority by the Director of Corrections with the approval of the Director of the Youth Authority. In sentencing a person under the age of 21 years, the court may order that the person shall be transferred to the custody of the Youth Authority pursuant to this subdivision. When the court makes such an order and the Youth Authority fails to accept custody of the person, the person shall be returned to court for resentencing. The transfer shall be solely for the purposes of housing the inmate and allowing participation in the programs available at the institution by the inmate, who, in all other aspects shall be deemed to be committed to the Department of

Corrections and shall remain subject to the jurisdiction of the Director of Corrections and the Board of Prison Terms. Notwithstanding the provisions of subdivision (b) of Section 2900 of the Penal Code, the Director of the Department of Corrections, with the concurrence of the Director of the Youth Authority, may designate a facility under the jurisdiction of the Director of the Youth Authority as a place of reception for any person described in this subdivision.

The Director of the Youth Authority shall have the same powers with respect to an inmate transferred pursuant to this subdivision as if the inmate had been committed or transferred to the Youth Authority either under the provisions of the Arnold-Kennick Juvenile Court Law or subdivision (a).

The duration of the transfer shall extend until the Director of the Youth Authority orders the inmate returned to the Department of Corrections, the inmate is ordered paroled by the Board of Prison Terms, the inmate's term of imprisonment is completed as otherwise provided by law, or the inmate reaches the age of 25 years, whichever first occurs.

SEC. 3. It is the intent of the Legislature in the enactment of Section 1029.1 of the Government Code to ensure that only qualified persons be hired as peace officers by these departments.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to avoid needless delay, duplicative administrative and transportation costs, and the exposure of youthful offenders to personal security risks that would be incurred if these youthful offenders are mixed with unclassified adults in Department of Corrections reception centers, it is necessary that this bill take effect immediately.

SEC. 5. Sections 1 and 3 of this act shall become operative January 1, 1985.

CHAPTER 425

An act to amend Sections 58892 and 58936 of the Food and Agricultural Code, relating to agriculture, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 58892 of the Food and Agricultural Code is amended to read:

58892. (a) A marketing order may contain provisions for carrying on research studies in the production, processing, or distribution of any commodity and for the expenditure of moneys for these purposes. Prior to the implementation of a research program authorized by this section that will extend beyond the next reapproval date of the marketing order pursuant to Section 59086, the director shall call a public hearing pursuant to Article 6 (commencing with Section 58771) to receive testimony regarding support for the research program by persons directly affected by the marketing order. After the hearing, the director shall find and determine, based upon the evidence received, whether or not to conduct a referendum pursuant to subdivision (c) of Section 58993 prior to approval of the proposed research program in order to evaluate with greater certainty the support for the program by the persons directly affected by the marketing order.

(b) In carrying out this section, an advisory board may, subject to the approval of the director, establish a trust account to fund research programs on an ongoing basis. These programs may extend beyond the termination date of the marketing order. For any program designed to last more than one year, funding shall be provided for from the trust account during the initial year.

(c) In any research in production or processing which is carried on pursuant to this section, the Vice President for Agricultural Sciences of the University of California and the advisory board which is provided for in Article 8 (commencing with Section 58841) shall cooperate in selecting the research program which is to be carried on from time to time. Insofar as practicable, the programs shall be carried out by the University of California, but if the vice president and the advisory board determine that the university has no facilities for a particular program, or that some other research agency has better facilities for it, the program may be carried out by any other research agency which is selected by the vice president and the advisory board.

(d) In carrying out this section, an advisory board may carry out research programs for the purpose of developing and testing new products in selected markets. The proposed programs shall be submitted to the director for his or her approval prior to the expenditure of funds for the program. The proposal submitted shall include, among other things, a description of the new products, the test market to be utilized, and the duration of the program.

SEC. 2. Section 58936 of the Food and Agricultural Code is amended to read:

58936. The director may adopt rules and regulations with respect to the assessment and collection of funds pursuant to this article.

SEC. 3. The sum of two million seven hundred thirty-two

thousand dollars ($2,732,000) is hereby appropriated from the General Fund to the Department of Food and Agriculture to be allocated as follows:

(a) For local assistance, traps, and related supplies to increase exotic fruit fly detection, particularly for Caribbean, Malaysian, and Mexican fruit flies	1,723,510
(b) For the establishment of a sterile fruit fly production facility	616,205
(c) For trapping equipment, personnel services, and related trapping expenses incurred by the department in its exotic fruit fly trapping activities	392,285

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure that adequate trapping of fruit flies takes place in the current growing season and in upcoming growing seasons, that an adequate number of sterile fruit flies are available for effective pest eradication activities, and that this state's commodities are effectively marketed, it is necessary that this act take effect immediately.

CHAPTER 426

An act to add Section 4465.3 to the Penal Code, relating to county jails, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 4465.3 is added to the Penal Code, to read:

4465.3. Money in the fund shall be allocated to those applications for large project funding from the County Jail Capital Expenditure Bond Act of 1981, which were filed with the Board of Corrections prior to November 18, 1983, and which received no or only partial funding from the County Jail Capital Expenditure Fund created pursuant to Section 4412. Allocations under this section shall be made in the order of application rank scores approved by the Board of Corrections on February 15, 1984.

SEC. 2. This act shall not become operative unless and until Assembly Bill 3805 of the 1983–84 Regular Session of the Legislature is chaptered.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, and safety within the meaning of Article IV of the Constitution and shall go into

effect immediately. The facts constituting the necessity are:

In order to specify the criteria for county jail bond allocations prior to the June 5, 1984 primary election, it is necessary that this act take effect immediately.

CHAPTER 427

An act to amend Section 68073.6 of the Government Code, relating to courts.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 68073.6 of the Government Code is amended to read:

68073.6. (a) Notwithstanding any other provision of law, to assist a county other than Los Angeles or the City and County of San Francisco in the acquisition, rehabilitation, construction, and financing of courtrooms or of a courtroom building or buildings containing facilities necessary to the operation of the courts and, in Monterey County, the improvement of criminal justice automated information systems, the board of supervisors of a county other than Los Angeles or the City and County of San Francisco, operative upon the adoption of a resolution stating that the provisions of this section and the assessments provided for in paragraph (2) of subdivision (a) of Section 1206.8 of the Penal Code are necessary to the establishment of adequate courtroom facilities in the county, may establish in the county treasury a Courthouse Temporary Construction Fund.

The county treasurer shall place all assessment amounts collected on nonparking offenses pursuant to paragraph (2) of subdivision (a) of Section 1206.8 of the Penal Code in the fund.

(b) The fund moneys shall be held by the treasurer separate from any funds subject to transfer or division pursuant to Section 1463 of the Penal Code. The moneys of the Courthouse Temporary Construction Fund shall be payable only for courtroom construction as authorized in subdivision (a); provided, that in Monterey County, for a five-year period, up to 50 percent of the moneys deposited each year in the Courthouse Temporary Construction Fund, but in no case exceeding a total of five hundred thousand dollars ($500,000) for the five-year period, may be payable for the improvement of criminal justice automated information systems upon the adoption of a resolution by the board of supervisors stating that such moneys used for automated information system improvement purposes are not required for the construction of courthouse buildings during the five-year period.

(c) Deposits to the fund in accordance with subdivision (a) shall continue through and including either (1) the 20th year after the initial calendar year in which the surcharge is collected or (2) whatever period of time is necessary to repay any borrowings made by the county to finance construction provided for in this section, whichever time shall be longer.

CHAPTER 428

An act to amend Sections 44270 and 44270.1 of the Education Code, relating to school employees.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 44270 of the Education Code is amended to read:

44270. (a) The minimum requirements for the preliminary services credential with a specialization in administrative services are all of the following:

(1) The possession of a valid teaching credential issued under the law and rules and regulations in effect on or before December 31, 1971, requiring the possession of a baccalaureate degree, or as specified in Section 44259, or as specified in Section 44260 provided the applicant also possesses a baccalaureate degree, or a services credential with a specialization in pupil personnel, health, clinical or rehabilitative, or librarian services as specified in Sections 44266, 44267, 44268, and 44269.

(2) A minimum of three years of successful, full-time classroom teaching experience in the public schools, including, but not limited to, service in state- or county-operated schools, or in private schools of equivalent status, or three years of experience in the fields of pupil personnel, health, clinical or rehabilitative, or librarian services.

(3) An entry level program of specialized and professional preparation in administrative services approved by the commission or a one-year internship in a program of supervised training in administrative services, approved by the commission as satisfying the requirements for the preliminary services credential with a specialization in administrative services.

(b) The preliminary administrative services credential shall be valid for a period of five years from date of issuance or three years from date of initial employment in a position requiring the credential, whichever date is later, and shall not be renewable.

(c) A candidate formally enrolled prior to July 1, 1982, in a commission-approved program for the services credential with a specialization in administrative services shall have until June 30,

1984, to complete those requirements for the credential which are in effect on and before June 30, 1982. Candidates initially enrolled in a commission-approved program on or after July 1, 1982, shall satisfy all the requirements for the credential set forth in this section.

SEC. 2. Section 44270 of the Education Code is amended to read:

44270. (a) The minimum requirements for the preliminary services credential with a specialization in administrative services are all of the following:

(1) The possession of a valid teaching credential issued under the law and rules and regulations in effect on or before December 31, 1971, requiring the possession of a baccalaureate degree, or as specified in Section 44259, or as specified in Section 44260 provided the applicant also possesses a baccalaureate degree, or a services credential with a specialization in pupil personnel, health, clinical or rehabilitative, or librarian services as specified in Sections 44266, 44267, 44268, and 44269.

(2) A minimum of three years of successful, full-time classroom teaching experience in the public schools, including, but not limited to, service in state- or county-operated schools, or in private schools of equivalent status or three years of experience in the fields of pupil personnel, health, clinical or rehabilitative, or librarian services.

(3) An entry level program of specialized and professional preparation in administrative services approved by the commission or a one-year internship in a program of supervised training in administrative services, approved by the commission as satisfying the requirements for the preliminary services credential with a specialization in administrative services.

(b) The preliminary administrative services credential shall be valid for a period of five years from date of issuance or three years from date of initial employment in a position requiring the credential, whichever date is later, and shall not be renewable.

(c) A candidate initially enrolled in a commission-approved program for the services credential with a specialization in administrative services between June 1, 1982, and October 31, 1982, shall have until July 1, 1985, to satisfy all requirements for the credential which were in effect on and before June 30, 1982, if the candidate certifies to the commission, under penalty of perjury, that the institution of postsecondary education which operated the program did not inform the candidate, on or before October 31, 1982, about the credential requirements which became effective on July 1, 1982.

(d) Except as provided in subdivision (c), a candidate formally enrolled in a commission-approved program for the services credential with a specialization in administrative services shall have until September 30, 1984, to complete those requirements for the credential which were in effect on and before June 30, 1982. Candidates not described in subdivision (c) who complete the requirements for the credential on or after October 1, 1984, shall satisfy all the requirements for the credential set forth in this section.

SEC. 3. Section 44270.1 of the Education Code is amended to read:

44270.1. (a) The minimum requirements for the professional services credential with a specialization in administrative services are all of the following:

(1) Possession of a valid preliminary administrative services credential, as specified in Section 44270.

(2) A minimum of two years of successful full-time experience in a position requiring the preliminary administrative services credential, as attested by the employing school district or agency, including, but not limited to, the State Department of Education, in the case of state school administrators, and county offices of education, in the case of county school administrators.

(3) Completion of a commission-approved program of advanced study and appropriate field experiences or internship, at least one-half of which shall have been engaged in while being employed in a position requiring the preliminary administrative services credential.

(b) The professional administrative services credential shall be valid for a period of five years from date of issuance and may be renewed.

SEC. 4. Section 2 of this bill incorporates amendments to Section 44270 of the Education Code purposed by both this bill and AB 2532. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 1985, (2) each bill amends Section 44270 of the Education Code, and (3) this bill is enacted after AB 2532, in which case Section 44270 of the Education Code, as amended by AB 2532, shall remain operative only until the operative date of this bill, at which time Section 2 of this bill shall become operative, and Section 1 of this bill shall not become operative.

CHAPTER 429

An act to add Section 1012 to the Water Code, relating to water conservation.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1012 is added to the Water Code, to read:

1012. Notwithstanding any other provision of law, where any person, public agency, or agency of the United States undertakes any water conservation effort, either separately or jointly with others entitled to delivery of water from the Colorado River under contracts with the United States, which results in reduced use of Colorado River water within the Imperial Irrigation District, no

forfeiture, diminution, or impairment of the right to use the water conserved shall occur, except as set forth in the agreements between the parties and the United States.

SEC. 2. The Legislature finds and declares that the enactment of Section 1012 of the Water Code is intended to clarify and make specific existing California law in regard to water conservation measures which may be taken within the Imperial Valley. In enacting Section 1012 of the Water Code, it is not the intent of the Legislature to alter the relationship of state and federal law, as each may apply to the distribution and use of Colorado River water.

CHAPTER 430

An act to amend Section 46392 of the Education Code, relating to schools, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 46392 of the Education Code is amended to read:

46392. Whenever the average daily attendance of any school district, county office of education, or regional occupational center or program during any fiscal year has been materially decreased during any fiscal year because of any of the following, the fact shall be established to the satisfaction of the Superintendent of Public Instruction by affidavits of the members of the governing board of the school district or county office of education, and the county superintendent of schools:

(a) Fire.

(b) Flood.

(c) Impassable roads.

(d) An epidemic.

(e) An earthquake.

(f) The imminence of a major safety hazard as determined by the local law enforcement agency.

(g) A strike involving transportation services to pupils provided by a nonschool entity.

(h) An order provided for in Section 41422.

The average daily attendance of the district for the fiscal year shall be estimated by the Superintendent of Public Instruction in a manner which credits to the school district for determining the apportionments to be made to the district from the State School Fund approximately the total average daily attendance which would have been credited to the school district had the emergency not

occurred or had the order not been issued.

This section applies to any average daily attendance which occurs during any part of a school year.

SEC. 2. (a) The governing board of any school district maintaining year-round schools within 4 miles of any 1984 Olympic Games competition site may, by resolution, close not more than 50 of those schools for not more than four days during the period from July 28, 1984, to August 14, 1984, inclusive.

(b) Any schools closed pursuant to subdivision (a) which are maintained under the provisions of Chapter 1157 of the Statutes of 1981, as amended by Chapter 1310 of the Statutes of 1982, shall be deemed to be in compliance with those provisions so long as the number of instructional days is not decreased by more than two days below the number otherwise required.

(c) For the 1984–85 fiscal year, the average daily attendance of a school district which loses instructional time as a result of action taken under subdivision (a) shall be estimated by the Superintendent of Public Instruction in a manner which credits to the school district, for determining the apportionments to be made to the district from the State School Fund, approximately the total average daily attendance which would have been credited to the school district had the school district not acted under subdivision (a), and applies the same procedures and computations required for Section 46392 of the Education Code.

(d) For the 1984–85 fiscal year, action taken pursuant to subdivision (a) shall not result in any loss of apportionments to which the school district would otherwise be entitled under Sections 46200 and 46201 of the Education Code.

(e) Subdivisions (a), (b), (c), and (d) shall have no effect unless the school district provides that staff assigned to the schools affected by action under subdivision (a) shall receive full pay and benefits as if the schools were in session.

(f) Due to the unique circumstances concerning school districts maintaining year-round schools in close proximity to 1984 Olympic Games competition sites, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

SEC. 3. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the Legislature finds and declares that there are savings as well as costs in this act which, in the aggregate, do not result in additional net costs.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to permit this act to become operative as early as possible in the 1984–85 school year, and so facilitate the orderly

administration of the public school system, it is necessary that this act take effect immediately.

CHAPTER 431

An act to amend Section 103 of the Fish and Game Code, relating to the Fish and Game Commission, and making an appropriation therefor.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 103 of the Fish and Game Code is amended to read:

103. Each of the commissioners shall receive one hundred dollars ($100) for each day of actual service performed in carrying out his or her official duties pursuant to law, but the amount of this compensation shall not exceed for any one commissioner the sum of five hundred dollars ($500) for any one calendar month. In addition to this compensation, the commissioners shall receive their actual and necessary expenses incurred in the performance of their duties.

The compensation and expenses provided in this section shall be paid out of the Fish and Game Preservation Fund.

SEC. 2. There is hereby appropriated seven thousand five hundred dollars ($7,500) from the Fish and Game Preservation Fund to the Department of Fish and Game for expenditure to pay the compensation and expenses of the members of the Fish and Game Commission pursuant to Section 103 of the Fish and Game Code.

CHAPTER 432

An act to amend Section 4701 of the Civil Code, relating to child support.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 4701 of the Civil Code is amended to read:

4701. (a) In any proceeding where the court has ordered either or both parents to pay any amount for the support of a minor child, the court may order either parent or both parents to assign to the county clerk, probation officer, or other officer of the court or county officer designated by the court to receive the payment, that portion

of salary or wages of either parent due or to be due in the future as will be sufficient to pay the amount ordered by the court for the support, maintenance, and education of the minor child. The order shall operate as an assignment and shall be binding upon any existing or future employer of the defaulting parent upon whom a copy of the order is served. Any such order may be modified or revoked at any time by the court.

(b) (1) Notwithstanding the provisions of subdivision (a), in any proceeding where the court has ordered either or both parents to pay any amount for the support of a minor child, upon a petition signed under penalty of perjury by the person or county officer to whom support has been ordered to have been paid that the parent so ordered is in arrears in payment in a sum equal to the amount of one month of the payment within the 24-month period immediately preceding filing of the petition with the court, the court shall issue without notice to the parent ordered to pay support an order requiring the parent ordered to pay support to assign either to the person to whom support has been ordered to have been paid or to a county officer designated by the court to receive the payment, that portion of the salary or wages of the parent due or to be due in the future as will be sufficient to pay the amount ordered by the court for the support, maintenance, and education of the minor child. Such an order shall operate as an assignment and shall be binding upon any existing or future employer of the parent ordered to pay support upon whom a copy of the order is served.

The petition shall state the number of previous times a petition for assignment has been filed pursuant to this subdivision and the county in which any such petition was filed.

(2) No petition shall be accepted for filing pursuant to this subdivision unless it contains a declaration stating that the parent, or any other person designated pursuant to subdivision (a), to whom support has been ordered to be paid has given the parent ordered to pay support a written notice of his or her intent to seek a wage assignment in the event of a default in support payments and that the notice was transmitted by certified mail or personally served at least 15 days prior to the date of the filing of the petition. A written notice of intent to seek a wage assignment may be given at the time of the entry of the final decree of dissolution or at any time subsequent thereto. In addition to any other penalty provided by law, the filing of a petition with knowledge of the falsity of the declaration of notice is punishable as a contempt pursuant to Section 1209 of the Code of Civil Procedure. The parent ordered to pay support may at any time waive the written notice required by this subdivision.

(3) The parent to whom support has been ordered to be paid shall notify the court and the employer of the parent ordered to pay support, by any form of mailing requiring a return receipt, of any change of address within a reasonable period of time after any such change. In instances in which payments have been ordered to be

made to a county officer designated by the court, the parent to whom support has been ordered to be paid shall notify the court and the county officer, by any form of mail requiring a return receipt, of any address change within a reasonable period of time after any such change. If the employer or county officer is unable to deliver payments under the assignment for a period of six months due to the failure of the person to whom support has been ordered to be paid to notify the employer or county officer of a change of address, the employer or county officer shall not make any further payments under the assignment and shall return all undeliverable payments to the employee.

(4) An assignment order made pursuant to this subdivision shall not become effective until 10 days after service of the order on an employer.

(5) Within 10 days of service of an assignment order issued pursuant to this subdivision on an employer, the employer shall deliver a copy of the assignment order to the parent ordered to pay support.

(6) A parent alleged to be in default may move to quash an assignment order issued under this subdivision within 10 days after service on the parent of notice of the assignment order by his or her employer if the parent states under oath that a default in the amount alleged in the petition has not occurred within the 24-month period referred to in the petition or that the amount is not owed. The motion and notice of motion to quash the assignment order shall be filed with the court issuing the assignment order within 10 days after service on the parent of notice of the order by the employer. The clerk of the court shall set the motion to quash for hearing within not less than 15 days, nor more than 20 days, after receipt of the notice of motion and shall mail to the petitioner at the return address contained in the petition a copy of the notice of motion by first-class mail within five days after receipt of the notice of motion.

(7) The employer shall continue to withhold and forward support as ordered by the court until served with notice that the motion to quash under this subdivision has been granted.

(8) The due date of support payments under this subdivision shall be the date specifically stated in the order of support or if no date is stated in the support order, then it shall be the last day of the month in which the support payment is to be paid.

(9) For purposes of this subdivision, arrearages of payment shall be computed on the basis of the payments owed and unpaid on the date that the parent ordered to pay support has been given notice of the order of assignment and the fact that the parent ordered to pay support may have subsequently paid such arrearages shall not relieve the court of its duty under this subdivision to order the assignment.

(10) Upon petition by the parent ordered to pay support, the court shall terminate an order of assignment entered pursuant to this subdivision upon proof of full payment pursuant to the wage

assignment for the appropriate period of time, as follows:

(A) An assignment pursuant to this subdivision pursuant to an initial petition shall continue until support payments are current.

(B) An assignment under this subdivision pursuant to a second petition filed within 24 months shall continue for 24 months.

(C) An assignment under this subdivision pursuant to a third or subsequent petition filed within 48 months shall not be terminated unless upon a petition by the parent ordered to pay support the court determines that there is good cause to terminate the assignment.

Upon petition by the parent ordered to pay support the court shall terminate an order of assignment entered pursuant to this subdivision if the employer or county officer has been unable to deliver payments under the assignment for a period of three months due to the failure of the person to whom support has been ordered to be paid to notify the employer or county officer of a change of address.

(c) The Judicial Council shall prescribe forms for the orders for wage assignment required or authorized by this section. The employer may deduct from the salary or wages of the employee the sum of one dollar ($1) for each payment made pursuant to the order. Any such assignment made pursuant to court order shall have priority as against any attachment, execution, or other assignment, unless otherwise ordered by the court.

(d) The employer shall cooperate with and provide relevant employment information to the district attorney for the purpose of enforcing the child support obligation.

(e) No employer shall use any assignment authorized by this section as grounds for the dismissal of such employee.

(f) As used in this section "employer" includes the United States government and any public entity as defined in Section 811.2 of the Government Code.

(g) On declaration or affidavit of the parent to whom support has been ordered to be paid to the court that: (1) the parent ordered to make support payments is in default in such payment in the amount specified in subdivision (b), and (2) the whereabouts of the defaulting parent or the identity of his employer are unknown to the parent to whom support has been ordered to be paid, the district attorney shall contact the central registry maintained by the Department of Justice in the manner prescribed in Section 11478.5 of the Welfare and Institutions Code, and upon receiving the requested information, notify the court of the last known address of the absent parent and the name and address of the absent parent's last known employer. The court shall then order the defaulting parent to make support payments pursuant to subdivision (b).

(h) Nothing in this section shall limit the authority of the district attorney to utilize any and all civil and criminal remedies to enforce child support obligations regardless of whether or not the custodial parent receives welfare moneys.

(i) The provisions of this section apply to the money and benefits

described in Sections 704.110 and 704.113 of the Code of Civil Procedure to the extent that such money and benefits are subject to a wage assignment for support under Chapter 4 (commencing with Section 703.010) of Division 2 of Title 9 of Part 2 of the Code of Civil Procedure.

(j) Notwithstanding any other provision of law, when a certified copy of any order of assignment is served on any public entity described in Section 704.110 of the Code of Civil Procedure other than the United States government, that entity shall comply with any request for a return of employee contributions by an employee named in the order by delivering the contributions to the clerk of the court from which the order issued, unless the entity has received a certified copy of an order terminating the order of assignment. Upon receipt of moneys pursuant to this section, the clerk of the court, within 10 days, shall send written notice of that fact to the parties, and any agency through whom payments have been ordered under Section 4702. These moneys shall be subject to any procedure available to enforce an order for child support, but if no enforcement procedure is commenced after 30 days have elapsed from the date the notice of receipt is sent, the clerk shall, upon request, return the moneys to the public entity that delivered the moneys to the court unless the public entity has informed the court in writing that the moneys shall be released to the defaulting parent. A court shall not directly or indirectly condition the issuance, modification, or termination of, or condition the terms or conditions of, any order for the support of a minor child upon the issuance of such a request by such an employee.

(k) This section shall remain in effect only until January 1, 1987, and as of such date is repealed.

SEC. 2. Section 4701 of the Civil Code is amended to read:

4701. (a) In any proceeding where the court has ordered either or both parents to pay any amount for the support of a minor child, the court may order either parent or both parents to assign to the county clerk, probation officer, or other officer of the court or county officer designated by the court to receive the payment, that portion of salary or wages of either parent due or to be due in the future as will be sufficient to pay the amount ordered by the court for the support, maintenance, and education of the minor child. The order shall operate as an assignment and shall be binding upon any existing or future employer of the defaulting parent upon whom a copy of the order is served. Any such order may be modified or revoked at any time by the court.

(b) (1) Notwithstanding the provisions of subdivision (a), in any proceeding where the court has ordered either or both parents to pay any amount for the support of a minor child, upon a petition signed under penalty of perjury by the person or county officer to whom support has been ordered to have been paid that the parent so ordered is in arrears in payment in a sum equal to the amount of one month of the payment within the 24-month period immediately

preceding filing of the petition with the court, the court shall issue without notice to the parent ordered to pay support an order requiring the parent ordered to pay support to assign either to the person to whom support has been ordered to have been paid or to a county officer designated by the court to receive the payment, that portion of the salary or wages of the parent due or to be due in the future as will be sufficient to pay the amount ordered by the court for the support, maintenance, and education of the minor child. Such an order shall operate as an assignment and shall be binding upon any existing or future employer of the parent ordered to pay support upon whom a copy of the order is served.

The petition shall state the number of previous times a petition for assignment has been filed pursuant to this subdivision and the county in which any such petition was filed.

(2) No petition shall be accepted for filing pursuant to this subdivision unless it contains a declaration stating that the parent, or any other person designated pursuant to subdivision (a), to whom support has been ordered to be paid has given the parent ordered to pay support a written notice of his or her intent to seek a wage assignment in the event of a default in support payments and that the notice was transmitted by certified mail or personally served at least 15 days prior to the date of the filing of the petition. A written notice of intent to seek a wage assignment may be given at the time of the entry of the final decree of dissolution or at any time subsequent thereto. In addition to any other penalty provided by law, the filing of a petition with knowledge of the falsity of the declaration of notice is punishable as a contempt pursuant to Section 1209 of the Code of Civil Procedure. The parent ordered to pay support may at any time waive the written notice required by this subdivision.

(3) The parent to whom support has been ordered to be paid shall notify the court and the employer of the parent ordered to pay support, by any form of mailing requiring a return receipt, of any change of address within a reasonable period of time after any such change. In instances in which payments have been ordered to be made to a county officer designated by the court, the parent to whom support has been ordered to be paid shall notify the court and the county officer, by any form of mail requiring a return receipt, of any address change within a reasonable period of time after any such change. If the employer or county officer is unable to deliver payments under the assignment for a period of three months due to the failure of the person to whom support has been ordered to be paid to notify the employer or county officer of a change of address, the employer or county officer shall not make any further payments under the assignment and shall return all undeliverable payments to the employee.

(4) An assignment order made pursuant to this subdivision shall not become effective until 10 days after service of the order on an employer.

(5) Within 10 days of service of an assignment order issued pursuant to this subdivision on an employer, the employer shall deliver a copy of the assignment order to the parent ordered to pay support.

(6) A parent alleged to be in default may move to quash an assignment order issued under this subdivision within 10 days after service on the parent of notice of the assignment order by his or her employer if the parent states under oath that a default in the amount alleged in the petition has not occurred within the 24-month period referred to in the petition or that the amount is not owed. The motion and notice of motion to quash the assignment order shall be filed with the court issuing the assignment order within 10 days after service on the parent of notice of the order by the employer. The clerk of the court shall set the motion to quash for hearing within not less than 15 days, nor more than 20 days, after receipt of the notice of motion and shall mail to the petitioner at the return address contained in the petition a copy of the notice of motion by first-class mail within five days after receipt of the notice of motion.

(7) The employer shall continue to withhold and forward support as ordered by the court until served with notice that the motion to quash under this subdivision has been granted.

(8) The due date of support payments under this subdivision shall be the date specifically stated in the order of support or if no date is stated in the support order, then it shall be the last day of the month in which the support payment is to be paid.

(9) For purposes of this subdivision, arrearages of payment shall be computed on the basis of the payments owed and unpaid on the date that the parent ordered to pay support has been given notice of the order of assignment and the fact that the parent ordered to pay support may have subsequently paid such arrearages shall not relieve the court of its duty under this subdivision to order the assignment.

(10) Upon petition by the parent ordered to pay support, the court shall terminate an order of assignment entered pursuant to this subdivision upon proof of full payment pursuant to the wage assignment for the appropriate period of time, as follows:

(A) An assignment pursuant to this subdivision pursuant to an initial petition shall continue until support payments are current.

(B) An assignment under this subdivision pursuant to a second petition filed within 24 months shall continue for 24 months.

(C) An assignment under this subdivision pursuant to a third or subsequent petition filed within 48 months shall not be terminated unless upon a petition by the parent ordered to pay support the court determines that there is good cause to terminate the assignment.

Upon petition by the parent ordered to pay support the court shall terminate an order of assignment entered pursuant to this subdivision if the employer or county officer has been unable to deliver payments under the assignment for a period of three months due to the failure of the person to whom support has been ordered

to be paid to notify the employer or county officer of a change of address.

(c) The Judicial Council shall prescribe forms for the orders for wage assignment required or authorized by this section. The employer may deduct from the salary or wages of the employee the sum of one dollar ($1) for each payment made pursuant to the order. Any such assignment made pursuant to court order shall have priority as against any attachment, execution, or other assignment, unless otherwise ordered by the court.

(d) The employer shall cooperate with and provide relevant employment information to the district attorney for the purpose of enforcing the child support obligation.

(e) No employer shall use any assignment authorized by this section as grounds for the dismissal of such employee.

(f) As used in this section "employer" includes the United States government and any public entity as defined in Section 811.2 of the Government Code.

(g) On declaration or affidavit of the parent to whom support has been ordered to be paid to the court that: (1) the parent ordered to make support payments is in default in such payment in the amount specified in subdivision (b), and (2) the whereabouts of such defaulting parent or the identity of his employer are unknown to the parent to whom support has been ordered to be paid, the district attorney shall contact the central registry maintained by the Department of Justice in the manner prescribed in Section 11478.5 of the Welfare and Institutions Code, and upon receiving the requested information, notify the court of the last known address of the absent parent and the name and address of the absent parent's last known employer. The court shall then order the defaulting parent to make support payments pursuant to subdivision (b).

(h) Nothing in this section shall limit the authority of the district attorney to utilize any and all civil and criminal remedies to enforce child support obligations regardless of whether or not the custodial parent receives welfare moneys.

(i) The provisions of this section apply to the money and benefits described in Sections 704.110 and 704.113 of the Code of Civil Procedure to the extent that such money and benefits are subject to a wage assignment for support under Chapter 4 (commencing with Section 703.010) of Division 2 of Title 9 of Part 2 of the Code of Civil Procedure.

(j) Notwithstanding any other provision of law, when a certified copy of any order of assignment is served on any public entity described in Section 704.110 of the Code of Civil Procedure other than the United States government, that entity shall comply with any request for a return of employee contributions by an employee named in that order by delivering the contributions to the clerk of the court from which the order issued, unless the entity has received a certified copy of an order terminating the order of assignment. Upon receipt of moneys pursuant to this section, the clerk of the

court, within 10 days, shall send written notice of that fact to the parties, and any agency through whom payments have been ordered under Section 4702. These moneys shall be subject to any procedure available to enforce an order for child support, but if no enforcement procedure is commenced after 30 days have elapsed from the date the notice of receipt is sent, the clerk shall, upon request, return the moneys to the public entity that delivered the moneys to the court unless the public entity has informed the court in writing that the moneys shall be released to the defaulting parent. A court shall not directly or indirectly condition the issuance, modification, or termination of, or condition the terms or conditions of, any order for the support of a minor child upon the issuance of such a request by such an employee.

(k) This section shall become operative on January 1, 1987.

CHAPTER 433

An act to amend Section 1063.2 of the Insurance Code, relating to insurance.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1063.2 of the Insurance Code is amended to read:

1063.2. (a) The association shall pay and discharge covered claims and in connection therewith pay for or furnish loss adjustment services and defenses of claimants when required by policy provisions. It may do so either directly by itself or through a servicing facility or through a contract for reinsurance and assumption of liabilities by one or more member insurers or through a contract with the liquidator, upon terms satisfactory to the association and to the liquidator, under which payments on covered claims would be made by the liquidator using funds provided by the association.

(b) The association shall be a party in interest in all proceedings involving a covered claim, and shall have the same rights as the insolvent insurer would have had if not in liquidation, including, but not limited to, the right to: (1) to appear, defend, and appeal a claim in a court of competent jurisdiction; (2) to receive notice of, investigate, adjust, compromise, settle, and pay a covered claim; and (3) to investigate, handle, and deny a noncovered claim. The association shall have no cause of action against the insureds of the insolvent insurer for any sums it has paid out, except as provided by this article.

(c) (1) If damages against uninsured motorists are recoverable by the claimant from his or her own insurer, such damages

recoverable shall be a credit against a covered claim payable under this article. If damages against an insured who is not a resident of this state are recoverable by a claimant who is a resident of this state, in whole or in part, from any insolvency fund or its equivalent in the state where the insured is a resident, such damages recoverable shall be a credit against a covered claim payable under this article. A member insurer may recover in subrogation from the association only one-half of any amount paid by such insurer under uninsured motorist coverage for bodily injury or wrongful death (and nothing for a payment for anything else), in those cases where the injured person insured by such an insurer has proceeded under his or her uninsured motorist coverage on the ground that the tortfeasor is uninsured as a result of the insolvency of his or her liability insurer (an insolvent insurer as defined in this article), provided that such member insurer shall waive all rights of subrogation against such tortfeasor. Any amount paid a claimant in excess of the amount authorized by this section may be recovered by action brought by the association.

(2) Any claimant having collision coverage on a loss which is covered by the insolvent company's liability policy shall first proceed against his or her collision carrier. Neither that claimant nor the collision carrier, if it is a member of the association, shall have the right to sue or continue a suit against the insured of the insolvent insurance company for such collision damage.

(d) The association shall continue coverage for covered claims under all insurance policies of the insolvent insurer that were in force on the date the liquidator was appointed until the insurance policy has expired in accordance with its terms, or has been replaced by the insured, or canceled at the insured's request, or has been canceled by the association as provided in this article.

(e) The association shall have authority to cancel insurance policies of the insolvent insurer by mailing or delivering to the insured at the last known address within this state a written notice of cancellation at least 10 days prior to the effective date of such cancellation, notwithstanding any statute or policy provision to the contrary.

(f) "Covered claims" shall not include any judgments against or obligations or liabilities of the insolvent insurer or the commissioner, as liquidator, or otherwise resulting from alleged or proven torts, nor shall any default judgment or stipulated judgment against the insolvent insurer, or against the insured of the insolvent insurer, be binding against the association.

(g) "Covered claims" shall not include any loss adjustment expenses, including adjustment fees and expenses, attorney fees and expenses, court costs, interest, and bond premiums, incurred prior to the appointment of a liquidator. The deductible provided for in paragraph (5) of subdivision (c) of Section 1063.1 shall apply to each person for each accident for which he makes a claim.

CHAPTER 434

An act to add Section 26229 to the Government Code, relating to public social services, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 26229 is added to the Government Code, to read:

26229. Nothing in any other provision of law shall prohibit the board of supervisors of a county having a population in excess of 6,000,000 persons from establishing by ordinance a department or agency into which any or all of the duties of the county departments or offices regarding protective services to juveniles may be placed.

The Health and Welfare Agency shall seek any necessary waivers from the federal government on behalf of a county electing to establish a department or agency pursuant to this section. The county department or agency permitted to be established pursuant to this section shall not be established unless and until all necessary waivers from the federal government have been obtained.

Except insofar as the cost of seeking necessary federal waivers is concerned, this section shall not require any additional expenditure of state funds.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure the provision of services essential to the goal of strengthening child welfare services, it is necessary that this act take effect immediately.

CHAPTER 435

An act to amend Section 9600.5 of the Welfare and Institutions Code, relating to elderly persons.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 9600.5 of the Welfare and Institutions Code is amended to read:

9600.5. As used in this chapter:

(a) "Brown Bag program" means a program which regularly provides bags of food to senior citizens living on fixed incomes and which currently receives, or at any time in the past received, moneys appropriated under the Brown Bag Network Act.

(b) "Developing Brown Bag program" means a program which recently began to provide bags of food to senior citizens living on limited incomes and is applying for Brown Bag Network Act funds for the first time.

(c) "Ongoing Brown Bag program" means a program which has been providing bags of food regularly to senior citizens living on limited incomes and currently receives moneys appropriated under the Brown Bag Network Act.

(d) "Insufficiently funded" means not possessing adequate funds for the lease of needed equipment, warehouses, trucks, freezer space, or salaries for the paid staff to coordinate volunteers and provide for a timely, business-like response to donors and for distribution of foods.

(e) "Low-income elderly person living on a limited income" means a person 60 years of age or older, with an income of no higher than that of the annual basic benefit level provided under the State Supplementary Program for a blind applicant or recipient pursuant to subdivision (a) of Section 12200.

CHAPTER 436

An act to amend Section 7.5 of the Government Code, relating to state government.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 7.5 of the Government Code is amended to read:

7.5. Whenever, by any law, the director of any state department is made a member of a state board, commission, or committee, or of the governing body of any state agency or authority, the director may designate a deputy director of that department holding a position specified in subdivision (f) or (g) of Section 4 of Article VII of the California Constitution to act as such member in his or her place and stead, to all intents and purposes as though the director were personally present, including the right of the deputy to be counted in constituting a quorum, to participate in the proceedings of the board, commission, committee, or other governing body, and to vote upon any and all matters. Not more than one director shall be represented by such a deputy at any meeting or session of a board, commission, committee, or other governing body. The director so

designating such a deputy shall be responsible for the acts of the deputy acting under such designation in the same manner and to the same extent that the director is responsible for the acts of the deputy performing his or her official duties as deputy director of the department.

CHAPTER 437

An act to add Section 1985.4 to the Code of Civil Procedure, relating to subpoenas.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1985.4 is added to the Code of Civil Procedure, to read:

1985.4. The procedures set forth in Section 1985.3 are applicable to a subpoena duces tecum for records pertaining to a party to any civil action or proceeding which are otherwise exempt from public disclosure under subdivision (c) of Section 6254 of the Government Code which are maintained by a state or local agency as defined in Section 6252 of the Government Code. For the purposes of this section, "witness" means a state or local agency as defined in Section 6252 of the Government Code and "consumer" means any employee of any state or local agency as defined in Section 6252 of the Government Code. Nothing in this section shall pertain to personnel records as defined in Section 832.8 of the Penal Code.

CHAPTER 438

An act to amend Section 195 of, and to repeal Sections 268, 304, 305, 372a, 400, 402d, 501, and 650a of, the Penal Code, relating to crimes.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 195 of the Penal Code is amended to read:

195. Homicide is excusable in the following cases:

1. When committed by accident and misfortune, or in doing any other lawful act by lawful means, with usual and ordinary caution, and without any unlawful intent.

2. When committed by accident and misfortune, in the heat of passion, upon any sudden and sufficient provocation, or upon a

sudden combat, when no undue advantage is taken, nor any dangerous weapon used, and when the killing is not done in a cruel or unusual manner.

SEC. 2. Section 268 of the Penal Code is repealed.
SEC. 3. Section 304 of the Penal Code is repealed.
SEC. 4. Section 305 of the Penal Code is repealed.
SEC. 5. Section 372a of the Penal Code is repealed.
SEC. 6. Section 400 of the Penal Code is repealed.
SEC. 7. Section 402d of the Penal Code is repealed.
SEC. 8. Section 501 of the Penal Code is repealed.
SEC. 9. Section 650a of the Penal Code is repealed.

CHAPTER 439

An act to amend Section 7020 of the Civil Code, and to amend Section 547 of the Code of Civil Procedure, relating to family law.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 7020 of the Civil Code is amended to read:

7020. (a) During the pendency of any proceeding under this part, upon application in the manner provided by Section 527 of the Code of Civil Procedure, the superior court may issue ex parte orders (1) enjoining any party from contacting, molesting, attacking, striking, threatening, sexually assaulting, battering, or disturbing the peace of the other party or the minor child; (2) excluding one party from the dwelling of the party who has care, custody and control of the child upon showing that the party to be excluded has assaulted or threatens to assault the other party or the minor child, and that physical or emotional harm would otherwise result to the party or the minor child; (3) enjoining a party from specified behavior which the court determines is necessary to effectuate orders under paragraph (1) or (2); and (4) determining the temporary custody of any minor child who is the subject of a proceeding under this part and the right of a party to visit the minor child upon the conditions as the court may determine. In the case in which a temporary restraining order is granted without notice, the matter shall be made returnable on an order requiring cause to be shown why the order should not be granted, on the earliest day that the business of the court will permit, but not later than 15 days or, if good cause appears to the court, 20 days from the date the temporary restraining order is granted. The court may on motion of the plaintiff or on its own motion shorten the time for service on the defendant of the order to show cause.

(b) The court may issue upon notice and a hearing any of the

orders set forth in subdivision (a). After notice and a hearing, the court may order the exclusion of one party from the common dwelling of both parties or from the dwelling of the party who has care, custody, and control of the minor child upon a showing only that physical or emotional harm would otherwise result to the party or the minor child. Any restraining order granted pursuant to this subdivision shall remain in effect, in the discretion of the court, not to exceed one year, unless otherwise terminated by the court, extended by mutual consent of the parties or extended by further order of the court on the motion of any party.

(c) Any order issued pursuant to subdivision (a) or (b) shall state on its face the date of expiration of the order.

(d) The court shall order the party who obtained the order or the attorney for the party to deliver or the clerk to mail a copy of any order, or extension, modification or termination thereof, granted pursuant to subdivision (a) or (b), by the close of the business day on which the order, extension, modification, or termination was granted, and any subsequent proof of service thereof, to each local law enforcement agency designated by the party or the attorney for the party, having jurisdiction over the residence of the party who has care, custody and control of the minor child and such other locations where the court determines that acts of domestic violence against the party and the minor child are likely to occur. Each appropriate law enforcement agency shall make available through an existing system for verification, information as to the existence, terms and current status of any order issued pursuant to subdivision (a) or (b) to any law enforcement officer responding to the scene of reported domestic violence.

(e) Any willful and knowing violation of any order granted pursuant to subdivision (a) or (b) shall be a misdemeanor punishable under Section 273.6 of the Penal Code.

SEC. 2. Section 547 of the Code of Civil Procedure is amended to read:

547. The court may issue upon notice and a hearing, any of the following orders:

(a) Any of the orders set forth in subdivision (a) of Section 4359 of the Civil Code, or in the case of a nonmarital relationship between the plaintiff and the defendant, any of the orders set forth in paragraphs (2), (3), (5) and (6) of subdivision (a) of Section 4359 of the Civil Code and where there is a minor child of the plaintiff and the defendant an order determining the temporary custody of the child. After notice and a hearing, the court may order the exclusion of one party from the common dwelling of both parties or from the dwelling of the other party on a finding only that physical or emotional harm would otherwise result to the other party or any person under the care, custody, or control of the other party or to any minor child of the parties or of the other party.

(b) Where there exists a presumption that the defendant is the natural father of any minor child, pursuant to Section 7004 of the

Civil Code, and the child is in the custody of the plaintiff, the court may order a party to pay any amount necessary for the support and maintenance of the child if such an order would otherwise be authorized in an action brought pursuant to Part 7 of Division 4 (commencing with Section 7000) of the Civil Code; however, any order pursuant to this subdivision shall be without prejudice in any such action.

(c) An order that restitution be paid to the family or household member for loss of earnings and out-of-pocket expenses, including, but not limited to, expenses for medical care and temporary housing, incurred as a direct result of the abuse or any actual physical injuries sustained therefrom; an order that restitution be paid by plaintiff for out-of-pocket expenses incurred by a party as a result of any order issued ex parte which is found by the court to have been issued upon facts shown at a noticed hearing to be insufficient to support the order; or an order requiring that the defendant shall pay any public or private agency for the reasonable cost of providing services to a family or household member required as a direct result of the abuse inflicted by the defendant or any actual injuries sustained therefrom.

(d) An order requiring any party to participate in counseling where the parties so stipulate or where it is shown that the parties intend to continue to reside in the same household or have continued to reside in the same household after previous instances of domestic violence.

(e) An order for the payment of attorneys' fees and costs of the prevailing party.

CHAPTER 440

An act to amend Section 21083.3 of the Public Resources Code, relating to environmental quality.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 21083.3 of the Public Resources Code is amended to read:

21083.3. (a) If a parcel has been zoned to accommodate a particular density of residential development or has been designated in a community plan to accommodate a particular density of residential development and an environmental impact report was certified for that zoning or planning action, the application of this division to the approval of any subdivision map or other project that is consistent with the zoning or community plan shall be limited to effects upon the environment which are peculiar to the parcel or to the project and which were not addressed as significant effects in the

prior environmental impact report. If a residential development project is consistent with the general plan of a local agency and an environmental impact report was certified with respect to that general plan, the application of this division to the approval of that residential development project shall be limited to effects on the environment which are peculiar to the parcel or to the project and which were not addressed as significant effects in the prior environmental impact report. Nothing in this section affects any requirement to analyze potentially significant offsite impacts and cumulative impacts of the project not discussed in the prior environmental impact report with respect to the general plan. However, all public agencies with authority to mitigate the significant effects shall undertake or require the undertaking of any feasible mitigation measures specified in the prior environmental impact report relevant to a significant effect which the project will have on the environment or, if not, then the provisions of this section shall have no application to that effect. The lead agency shall make a finding, at a public hearing, as to whether those mitigation measures will be undertaken. An effect of a project upon the environment shall not be considered peculiar to the parcel or to the project, for purposes of this subdivision, if uniformly applied development policies or standards have been previously adopted by the city or county, with a finding based upon substantial evidence, which need not include an environmental impact report, that the development policies or standards will substantially mitigate that environmental effect when applied to future projects.

Where a community plan is the basis for application of this section, any rezoning action consistent with the community plan shall be a project subject to exemption from this division in accordance with the provisions of this subdivision.

(b) As used in subdivision (a), "community plan" means a part of the general plan of a city or county which (1) applies to a defined geographic portion of the total area included in the general plan, (2) complies with Article 5 (commencing with Section 65300) of Chapter 3 of Division 1 of Title 7 of the Government Code by including or referencing each of the mandatory elements specified in Section 65302 of the Government Code, and (3) contains specific development policies adopted for the area included in the community plan and identifies measures to implement those policies, so that the policies which will apply to each parcel can be determined.

(c) No person shall have standing to bring an action or proceeding to attack, review, set aside, void, or annul a finding of a public agency made at a public hearing pursuant to subdivision (a) with respect to the conformity of the project to the mitigation measures identified in the prior environmental impact report for the zoning or planning action, unless he or she has participated in that public hearing. However, this subdivision shall not be applicable if the local agency failed to give public notice of the hearing as required by law. For

purposes of this subdivision, a person has participated in the public hearing if he or she has either submitted oral or written testimony regarding the proposed determination, finding, or decision prior to the close of the hearing.

(d) Any community plan adopted prior to January 1, 1982, which does not comply with the definitional criteria specified in subdivision (b) may be amended to comply with that criteria, in which case, the plan shall be deemed a "community plan" within the meaning of subdivision (b); provided, that, (1) an environmental impact report was certified for adoption of the plan and (2), at the time of the conforming amendment, the environmental impact report has not been held inadequate by a court of this state, and the environmental impact report is not the subject of pending litigation challenging its adequacy.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the Legislature finds and declares that there are savings as well as costs in this act which, in the aggregate, do not result in additional net costs.

CHAPTER 441

An act to amend Section 20017.77 of the Government Code, relating to public retirement systems, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 20017.77 of the Government Code is amended to read:

20017.77. "State safety member" shall also include officers and employees in (a) the Department of Corrections employed to perform the duties now performed in positions with the following class titles: Director of Corrections, unless upon the appointment of a person to the office of the Director of Corrections the person elects to be an industrial member; Deputy Director, Department of Corrections; Deputy Director, Institutions, Camps and Program Services Division; Deputy Director, Parole and Community Services; warden; Warden—San Quentin; superintendent II and III, Department of Corrections; deputy superintendent; correctional administrator; program administrator, correctional institution; all classes of correctional program supervisor; correctional captain; correctional lieutenant; correctional sergeant; correctional officer; all classes of women's correctional supervisor; Assistant Deputy

Director, Parole and Community Services; all classes of parole administrator, adult parole; all classes of parole agent, adult parole; Assistant Director, Investigations and Law Enforcement Liaison; senior special agent; special agent; all classes of women's parole agent; medical facility superintendent; Superintendent, California Institution for Women; all classes of correctional counselor; Chief and Assistant Chief Transportation Officer, (b) the Department of the Youth Authority employed to perform the duties now performed in positions with the following class titles: Director, Department of the Youth Authority; Chief, Division of Parole and Community Services; Deputy Chief, Division of Parole and Community Services; program administrator, correctional school; assistant superintendent, correctional school; all classes of superintendent, correctional school; Youth Authority camp superintendent; assistant superintendent, Youth Authority camp; Chief, Division of Institutions; treatment team supervisor; all classes of transportation officers, Youth Authority; security officer; all classes of group supervisors; all classes of parole agent, Youth Authority; all classes of youth counselor; supervisor community treatment programs; correctional casework training supervisor; correctional casework trainee; all classes of correctional counselor, (c) the Board of Prison Terms employed to perform duties now performed in positions with the following class titles: all classes of parole officer; all classes of correctional counselor and the Chief of Investigation, and (d) the Youthful Offender Parole Board employed to perform duties now performed in positions with the following class titles: all classes of parole agent.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Mandatory inclusion, under existing law, of the Director of the Department of Corrections in the state safety membership category of the Public Employees' Retirement System may not at all times be advantageous to potential appointees to that office, depending upon their employment background and other matters. In order that this potential for mandatory disadvantageous inclusion may be removed at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 442

An act to amend Section 56.10 of the Civil Code, relating to medical information.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 56.10 of the Civil Code is amended to read:

56.10. (a) No provider of health care shall disclose medical information regarding a patient of the provider without first obtaining an authorization, except as provided in subdivision (b) or (c).

(b) A provider of health care shall disclose medical information if the disclosure is compelled by any of the following:

(1) By a court pursuant to an order of that court.

(2) By a board, commission, or administrative agency for purposes of adjudication pursuant to its lawful authority.

(3) By a party to a proceeding before a court or administrative agency pursuant to a subpoena, subpoena duces tecum, notice to appear served pursuant to Section 1987 of the Code of Civil Procedure, or any provision authorizing discovery in a proceeding before a court or administrative agency.

(4) By a board, commission, or administrative agency pursuant to an investigative subpoena issued under Article 2 (commencing with Section 11180) of Chapter 2 of Part 1 of Division 3 of Title 2 of the Government Code.

(5) By an arbitrator or arbitration panel, when arbitration is lawfully requested by either party, pursuant to a subpoena duces tecum issued under Section 1282.6 of the Code of Civil Procedure, or any other provision authorizing discovery in a proceeding before an arbitrator or arbitration panel.

(6) By a search warrant lawfully issued to a government law enforcement agency.

(7) When otherwise specifically required by law.

(c) A provider of health care may disclose medical information as follows:

(1) The information may be disclosed to providers of health care or other health care professionals or facilities for purposes of diagnosis or treatment of the patient. This includes, in an emergency situation, the communication of patient information by radio transmission between emergency medical personnel at the scene of an emergency, or in an emergency medical transport vehicle, and emergency medical personnel at a health facility licensed pursuant to Division 2 (commencing with Section 1200) of the Health and Safety Code.

(2) The information may be disclosed to an insurer, employer, health care service plan, hospital service plan, employee benefit plan, governmental authority, or any other person or entity responsible for paying for health care services rendered to the patient, to the extent necessary to allow responsibility for payment to be determined and payment to be made. The information may also be disclosed to another provider as necessary to assist the other provider in obtaining payment for health care services rendered by that provider to the patient.

(3) The information may be disclosed to any person or entity that provides billing, claims management, medical data processing, or other administrative services for providers or for any of the persons or entities specified in paragraph (2). However, no information so disclosed shall be further disclosed by the recipient in any way which would be violative of this part.

(4) The information may be disclosed to organized committees and agents of professional societies or of medical staffs of licensed hospitals, or to licensed health care service plans, or to professional standards review organizations, or to persons or organizations insuring, responsible for, or defending professional liability which a provider may incur, if the committees, agents, plans, organizations, or persons are engaged in reviewing the competence or qualifications of health care professionals or in reviewing health care services with respect to medical necessity, level of care, quality of care, or justification of charges.

(5) The information in the possession of any provider of health care may be reviewed by any private or public body responsible for licensing or accrediting such provider of health care. However, no patient identifying medical information may be removed from the premises except as expressly permitted or required elsewhere by law.

(6) The information may be disclosed to the county coroner in the course of an investigation by the coroner's office.

(7) The information may be disclosed to public agencies, clinical investigators, health care research organizations, and accredited public or private nonprofit educational or health care institutions for bona fide research purposes. However, no information so disclosed shall be further disclosed by the recipient in any way which would permit identification of the patient.

(8) A provider of health care that has created medical information as a result of employment-related health care services to an employee conducted at the specific prior written request and expense of the employer may disclose to the employee's employer that part of the information which:

(A) Is relevant in a law suit, arbitration, grievance, or other claim or challenge to which the employer and the employee are parties and in which the patient has placed in issue his or her medical history, mental or physical condition, or treatment, provided it may only be used or disclosed in connection with that proceeding.

(B) Describes functional limitations of the patient that may entitle the patient to leave from work for medical reasons or limit the patient's fitness to perform his or her present employment, provided that no statement of medical cause is included in the information disclosed.

(9) Unless the provider is notified in writing of an agreement by the sponsor, insurer, or administrator to the contrary, the information may be disclosed to a sponsor, insurer, or administrator of a group or individual insured or uninsured plan or policy which

the patient seeks coverage by or benefits from, if the information was created by the provider of health care as the result of services conducted at the specific prior written request and expense of the sponsor, insurer, or administrator for the purpose of evaluating the application for coverage or benefits.

(10) The information may be disclosed to a group practice prepayment health care service plan by providers which contract with the plan and may be transferred among providers which contract with the plan, for the purpose of administering the plan. Medical information may not otherwise be disclosed by a group practice prepayment health care service plan except in accordance with the provisions of this part.

(11) Nothing in this part shall prevent the disclosure by a provider of health care to an insurance institution, agent, or support organization, subject to Article 6.6 (commencing with Section 791) of Part 2 of Division 1 of the Insurance Code, of medical information if the insurance institution, agent, or support organization has complied with all requirements for obtaining the information pursuant to Article 6.6 (commencing with Section 791) of Part 2 of Division 1 of the Insurance Code.

CHAPTER 443

An act to add Section 600 to the Penal Code, relating to law enforcement, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1984. Filed with Secretary of State July 12, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 600 is added to the Penal Code, to read:

600. (a) Any person who willfully strikes, beats, kicks, cuts, stabs, shoots with a firearm, administers any poison or other harmful or stupefying substance to, or throws, hurls, or projects at, or places any rock, object, or other substance which is used in such a manner as to be capable of producing injury and likely to produce injury, on or in the path of, any horse being used by any peace officer in the discharge or attempted discharge of his or her duties, is guilty of a public offense. If the injury inflicted is a serious injury, as defined in subdivision (c), the person shall be punished by imprisonment in the state prison for 16 months, two or three years, or in a county jail for not exceeding one year, or by a fine not exceeding two thousand dollars ($2,000), or by both a fine and imprisonment. If the injury inflicted is not a serious injury, the person shall be punished by imprisonment in the county jail for not exceeding one year, or by a fine not exceeding one thousand dollars ($1,000), or by both a fine

and imprisonment.

(b) Any person who willfully interferes with or obstructs any horse being used by any peace officer in the discharge or attempted discharge of his or her duties by frightening, teasing, agitating, harassing, or hindering the horse shall be punished by imprisonment in a county jail for not exceeding one year, or by a fine not exceeding one thousand dollars ($1,000), or by both a fine and imprisonment.

(c) Any person who, in violation of this section, and with intent to inflict such injury or death, personally causes the death, destruction, or serious physical injury including bone fracture, loss or impairment of function of any bodily member, wounds requiring extensive suturing, or serious crippling, of any horse, shall, upon conviction of a felony under this section, in addition and consecutive to the punishment prescribed for the felony, be punished by an additional term of imprisonment in the state prison for one year.

(d) Any person who, in violation of this section, and with the intent to inflict such injury, personally causes great bodily injury, as defined in Section 12022.7, to any person not an accomplice, shall, upon conviction of a felony under this section, in addition and consecutive to the punishment prescribed for the felony, be punished by an additional term of imprisonment in the state prison for two years unless the conduct described in this subdivision is an element of any other offense of which the person is convicted or receives an enhancement under Section 12002.7.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to insure that an unintentional loophole in the law does not permit horses used by peace officers in the performance of their duties during the Olympic Games to be assaulted or battered with impunity, with great risk of injury or death to the horses, the riders, or the public, it is necessary that this act take immediate effect.

CHAPTER 444

An act relating to correctional facilities, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 12, 1984. Filed with Secretary of State July 13, 1984.]

The people of the State of California do enact as follows:

SECTION 1. It is the intent of the Legislature in enacting this act to assist counties in financing necessary construction and improvements to county jail facilities. It is the further intent of the Legislature that, during the design and planning stage for county jail facilities the construction, reconstruction, or remodeling of which is financed by the County Jail Capital Expenditure Fund established by the County Jail Capital Expenditure Bond Act of 1981, or by the County Jail Capital Expenditure Fund established by the County Jail Capital Expenditure Bond Act of 1984, consideration shall be given to proper design to allow for areas where persons arrested for misdemeanors who are attempting to obtain release on bail can be safely accommodated without the necessity of unclothed body searches.

SEC. 2. The Legislature finds and declares that the approval by the electors of the County Jail Capital Expenditure Bond Act of 1984 has made new funds available for county jail capital expenditures in addition to those available from the County Jail Capital Expenditure Bond Act of 1981, and has rendered inappropriate the criteria adopted by the Board of Corrections for the distribution of proceeds of bonds authorized by the 1981 act. The Legislature further declares that it would be most efficient and appropriate if funds from both bond acts are allocated under uniform criteria applicable to both acts. Therefore, the Legislature hereby appropriates money in the County Jail Capital Expenditure Fund established by Section 4462 of the Penal Code to the Board of Corrections for allocation as provided by this act, and directs the Board of Corrections to allocate all money in the County Jail Capital Expenditure Fund established by Section 4412 of the Penal Code and appropriated by the Budget Act of 1984 for the fiscal year as provided by this act.

SEC. 3. Pursuant to its authority to examine factors for the distribution of proceeds of bonds authorized by the County Jail Capital Expenditure Bond Act of 1981 (Title 4.5 (commencing with Section 4400) of Part 3 of the Penal Code) as set forth in Section 4415 of the Penal Code, and pursuant to its authority to establish criteria for the availability of funds pursuant to the County Jail Capital Expenditure Bond Act of 1984 (Title 4.5 (commencing with Section 4450) of Part 3, Penal Code) as set forth in Section 4465 of the Penal Code, the Legislature establishes the following criteria for the

allocation of funds in the County Jail Capital Expenditure Fund established by Section 4412 of the Penal Code and the County Jail Capital Expenditure Fund established by Section 4462 of the Penal Code:

(a) Counties shall be required to pay 25 percent of the cost of projects. However if the Department of Finance certifies that savings will result to the state as a result of the county not receiving its full allocation as authorized by subdivision (c) because of the county lowering its total project cost, the Department of Finance may waive all or a portion of the requirement that the county comply with the 25 percent matching fund requirement, on those terms as the Department of Finance may deem appropriate.

For the purposes of this section, "allowable cost" shall mean those reasonable and necessary costs attendant to the construction of local jails, as may be defined by regulation by the Board of Corrections, but shall not include costs for projects or items set forth in subdivision (c) of Section 512 of Title 15 of the California Administrative Code, as it may be amended from time to time.

(b) The Board of Corrections shall enter into contracts for funding of approved projects when the county is ready to proceed with construction. The county shall be deemed ready to proceed when it has done all of the following:

(1) Filed a final notice of determination on its environmental impact report.

(2) Certified that the county owns or has assured long-term possession of the site for the construction project.

(3) Received approval by the Board of Corrections and any other public agency with legally required approval responsibilities of the plans, specifications, and working drawings for the facility to be constructed or renovated.

(4) Received construction bids from contractors.

Construction shall be initiated within a reasonable time after the receipt of bids, or the contract between the State of California and the county shall become void. The Board of Corrections shall by regulation, define what shall be a reasonable time for this purpose.

The Board of Corrections shall not enter into contracts for amounts which would, if encumbered, exceed the balance remaining in both County Jail Capital Expenditure Funds established by Sections 4412 and 4462 of the Penal Code.

(c) The following projects shall be entitled to be funded in an amount not less than the amount set forth in this subdivision:

(1) The 28 county projects for which the Board of Corrections in its allocation of February 16, 1984, pursuant to the County Jail Capital Expenditure Bond Act of 1981, approved an allocation of one million dollars ($1,000,000) or less for each county shall be entitled to the approved allocation.

(2) For the counties specified in this paragraph, the Board of Corrections shall determine for each county which project is the first priority project for the county based upon projects submitted by

those counties to the board in 1983. Each of the following counties shall be entitled to the following allocation for its first priority project:

Alameda	$84,100,000
Los Angeles	96,000,000
El Dorado	11,200,000
Fresno	26,500,000
Merced	3,800,000
Riverside	29,500,000
San Mateo	8,500,000
San Diego	19,200,000
Kings	1,700,000
Kern	23,900,000

(3) Each of the following counties shall be entitled to the following allocation for the project submitted by it to the Board of Corrections in 1983:

Contra Costa	$36,600,000
Madera	8,500,000
Orange	50,000,000
Sacramento	62,000,000
Santa Clara	46,000,000
Solano	19,700,000
Tulare	17,100,000
Ventura	5,500,000
Yolo	9,800,000

(4) Funding for San Bernardino County, Lassen County, and Lake County shall be determined by the Board of Corrections after the respective county has submitted its application for its first priority project and after the county's application has been examined using the same guidelines applied to the applications of counties listed in paragraphs (1), (2), and (3). San Bernardino shall be authorized to receive an allocation of fifteen million dollars ($15,000,000) for a project approved upon approval by the board.

(d) In addition to the allocations required by subdivision (c), the Board of Corrections is authorized to make additional allocations to counties where the allocations would not result in funds being unavailable for allocations required by subdivision (c), subject to the requirements of subdivision (f), but in no case shall the total allocation exceed the following amounts:

(1) Large County Projects	$659,497,000
Alameda	$84,100,000
Contra Costa	36,600,000
El Dorado	17,500,000

Fresno	28,200,000	
Kern	26,500,000	
Kings	2,400,000	
Los Angeles	148,800,000	
Madera	8,513,000	
Merced	4,200,000	
Orange	50,200,000	
Riverside	31,542,000	
Sacramento	62,025,000	
San Bernardino	30,000,000	
San Diego	22,500,000	
San Mateo	8,200,000	
Santa Clara	46,027,000	
Solano	19,700,000	
Tulare	17,100,000	
Ventura	5,500,000	
Yolo	9,893,000	
(2) Small County Projects		$29,096,150
Butte	$1,085,300	
Calaveras	283,383	
Del Norte	125,000	
Glenn	1,670,011	
Humboldt	655,683	
Inyo	1,003,500	
Marin	857,886	
Mariposa	250,708	
Mendocino	1,875,000	
Mono	1,209,241	
Monterey	959,475	
Napa	1,003,500	
Nevada	900,150	
Sierra	125,587	
Placer	736,275	
Plumas	900,000	
San Benito	100,500	
San Francisco	1,590,075	
San Joaquin	2,187,545	
San Luis Obispo	696,973	
Santa Barbara	1,500,000	
Santa Cruz	488,250	
Siskiyou	2,181,750	
Sonoma	4,500,000	
Stanislaus	933,000	
Tuolumne	922,125	
Yuba	355,233	

(3) Other county projects to be disbursed pursuant to rules and regulations established by the Board of Corrections to counties which

made small project applications under the County Jail Capital Expenditure Bond Act of 1981 and to a county of the 43rd class	$19,200,000
(4) Costs for the sale of the bonds and the administrative costs of the Board of Corrections and the Department of Finance, subject to annual Budget Act appropriations	$3,489,338

(e) The Board of Corrections shall establish by rule or regulation a procedure for determining whether a project submitted to the board in 1983 but not specified in subdivision (c) may be authorized. That procedure shall take into account any undue hardship or operational difficulties that the county would encounter if those limits are imposed. However, a county shall not receive an allocation in excess of that specified in subdivision (d).

(f) (1) Forty million dollars ($40,000,000) in earned interest on proceeds from the sale of bonds shall be allocated for the funding of projects specified in subdivision (c) or authorized by the Board of Corrections pursuant to subdivision (e).

Any earnings in excess of this amount and any future bond issues for jail construction, or other fund sources that shall become available, shall be allocated first to Los Angeles County to a maximum of twenty-nine million dollars ($29,000,000), and then a maximum of nine million dollars ($9,000,000) to augment small county projects described in paragraph (1) of subdivision (c) for those counties that were not funded for 75 percent of project cost in the allocations of the Board of Corrections in February of 1984.

Available funds in excess of that described above shall be distributed for counties' secondary and lesser projects as outlined in their original applications and postponed under this plan, under a system proposed by the Board of Corrections and adopted by the Legislature.

(g) The Board of Corrections shall confer with the Department of Finance which shall review the board's fiscal and contract regulations governing actual distribution of and control of projects once the projects are funded. These regulations shall address, among other questions and issues, eligible cost issues, questions of matching funds to be furnished by the counties, and contract management regulations. The board and the department shall endeavor to agree on rules and guidelines to be used, and the eventual board rules and guidelines shall be determined by the board after negotiations with counties.

(h) The Board of Corrections shall provide funding at the earliest opportunity to Sacramento and other counties that are ready to proceed with construction.

SEC. 4. Notwithstanding Section 16305.7 of the Government Code, all interest or other increment resulting from the invest-

ment of moneys deposited in the County Jail Capital Expenditure Funds created by Sections 4412 and 4462 of the Penal Code shall be credited to those funds and is hereby appropriated for disbursement as authorized by this act.

SEC. 5. The Board of Corrections shall not itself be deemed a responsible agency, as defined by Section 21069 of the Public Resources Code, or otherwise be subject to the California Environmental Quality Act for any activities under this act, the County Jail Capital Expenditure Bond Act of 1981, or the County Jail Capital Expenditure Bond Act of 1984. This section shall not exempt any local agency from the requirements of the California Environmental Quality Act.

SEC. 6. Moneys expended pursuant to Section 3 of this act shall be disbursed as cash flow statements are received from the counties by the Board of Corrections and shall be available for expenditure only as herein provided by the Board of Corrections, without regard to fiscal year.

SEC. 7. This act shall become operative only if AB 2357 by the 1983–84 Regular Session of the Legislature is chaptered and becomes effective on or before January 1, 1985.

SEC. 8. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to immediately provide for the proper allocation of funds under the County Jail Capital Expenditure Bond Acts, it is necessary for this act to take effect immediately.

CHAPTER 445

An act to add and repeal Section 6368.2 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor July 12, 1984. Filed with Secretary of State July 13, 1984.]

The people of the State of California do enact as follows:

SECTION 1. (a) The Legislature finds and declares:

(1) El Nino is a change in ocean conditions which has resulted in a marked warming of ocean temperatures off California.

(2) This phenomenon has severely disrupted California fisheries, causing the fish that normally populate California waters either to migrate further north or to congregate in deeper waters that are the proper temperature for a viable habitat.

(3) The El Nino effect is also responsible for a reduction in marine nutrients, causing lower survival rates, lower fecundity, and smaller

fish size.

(4) As a result of El Nino, commercial fishing operators have had serious declines in income and many operators are threatened by foreclosures on their boats and other adverse economic consequences.

(b) Therefore, it is the intent of the Legislature that this act give temporary relief to the commercial fishing industry while it is recovering from the impacts of El Nino by providing tax relief to commercial fishing boat operators who operate from California harbors.

SEC. 2. Section 6368.2 is added to the Revenue and Taxation Code, to read:

6368.2. (a) There are exempted from the taxes imposed by this part the gross receipts from the sale of, and the storage, use, or other consumption in this state of, diesel fuel used in operating watercraft in commercial deep sea fishing operations or commercial passenger fishing boat operations by persons who are regularly engaged in the business of commercial deep sea fishing or commercial passenger fishing boat operations outside the territorial waters of this state.

(b) For purposes of this section, it shall be rebuttably presumed that a person is not regularly engaged in the business of commercial deep sea fishing or the operation of a commercial passenger fishing boat if the person has gross receipts from these operations of less than five thousand dollars ($5,000) a year.

(c) "Commercial passenger fishing boat operations" means the business of permitting, for profit, any person to fish from the operator's boat or vessel.

(d) This section shall remain in effect only until January 1, 1987, and as of that date is repealed, unless a later enacted statute, which is chaptered before January 1, 1987, deletes or extends that date.

SEC. 3. Notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made by this act and the state shall not reimburse any local agency for any sales and use tax revenues lost by it under this act.

SEC. 4. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect. However, the provisions of this act shall become operative on the first day of the first calendar quarter commencing more than 90 days after the effective date of this act.

CHAPTER 446

An act to add and repeal Division 13 (commencing with Section 140000) of the Public Utilities Code, and to add and repeal Section 7252.6 of the Revenue and Taxation Code, relating to transportation, and declaring the urgency thereof, to take effect immediately.

[Became law without Governor's signature. Filed with Secretary of State July 16, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Division 13 (commencing with Section 140000) is added to the Public Utilities Code, to read:

DIVISION 13. SANTA CLARA COUNTY TRAFFIC AUTHORITY

CHAPTER 1. GENERAL PROVISIONS

140000. This division shall be known and may be cited as the Santa Clara County Commuter Relief Act.

140001. The Legislature hereby finds and declares all of the following:

(a) In Santa Clara County, highway improvements are an immediate high priority needed to resolve the county's serious traffic congestion problems that threaten the economic viability of the county and adversely impact its quality of life therein.

(b) In order to deal in an expeditious manner with current serious traffic congestion, the county needs to develop and implement a local funding program that goes significantly beyond current federal and state funding which is not adequate to resolve these problems.

(c) It is in the public interest to allow the voters of Santa Clara County to create the Santa Clara County Traffic Authority so that local transportation decisions can be implemented in a timely manner to provide highway capital improvements.

140002. "Authority" means the Santa Clara County Traffic Authority created pursuant to this division in the County of Santa Clara.

140003. "Board of supervisors" means means the Santa Clara County Board of Supervisors.

140004. "County" means the County of Santa Clara.

140005. If the electors do not approve the imposition of the one-half of 1 percent transactions and use tax, this division is repealed as of the date that the county certifies the election results to the Secretary of State.

140006. The authority is terminated 12 years from the first day on which the transactions and use tax authorized by this division is first imposed and as of that date this division is repealed.

CHAPTER 2. CREATION OF THE AUTHORITY

140050. There is hereby created the Santa Clara County Traffic Authority in the county.

140051. (a) The authority shall consist of five members as follows:

(1) One member of the board of supervisors appointed by the board.

(2) Two members representing the City of San Jose consisting of the mayor thereof and a member of the San Jose City Council appointed by the council.

(3) Two members representing the other cities in the county appointed pursuant to subdivision (b).

(b) The members representing the other cities shall be appointed in the following manner:

(1) The cities shall be divided into two zones, the north zone and the south zone.

(2) The north zone shall include the Cities of Los Altos, Los Altos Hills, Milpitas, Mountain View, Palo Alto, Santa Clara, and Sunnyvale.

(3) The south zone shall include the Cities of Campbell, Cupertino, Gilroy, Los Gatos, Monte Sereno, Morgan Hill, and Saratoga.

(4) The mayors from the cities in each zone shall appoint one mayor or council member.

140052. (a) Except as provided in subdivision (b) and except for the Mayor of San Jose, the members of the authority shall serve for a term of two years.

(b) At the first meeting of the authority convened pursuant to Section 140108, two members shall be selected by lot to serve three-year terms, and the other three shall serve two-year terms.

(c) If any member ceases to be an elected official, that member shall cease to be a member of the authority, and another member shall be appointed for the remainder of the term pursuant to Section 140051.

CHAPTER 3. ADMINISTRATION

140100. The authority at its first meeting, and thereafter annually at the first meeting in January, shall elect a chairperson who shall preside at all meetings, and a vice chairperson who shall preside in his or her absence. In the event of their absence or inability to act, the members present, by an order entered in the minutes, shall select one of their members to act as chairperson pro tempore, who, while so acting, shall have all of the authority of the chairperson.

140101. The authority shall adopt rules for its proceedings consistent with the law of the state.

140102. A majority of the members of the authority shall constitute a quorum for the transaction of business, and all official acts of the authority shall require the affirmative vote of a majority of the members of the authority.

140103. The acts of the authority shall be expressed by motion, resolution, or ordinance.

140104. All meetings of the authority shall be conducted pursuant to Chapter 9 (commencing with Section 54950) of Part 1 of Division

2 of Title 5 of the Government Code.

140105. The authority shall do all of the following:

(a) Adopt an annual budget, hire an independent staff of its own, and fix the compensation of its officers and employees.

(b) Adopt an administrative code, by ordinance, which prescribes the powers and duties of the authority officers, the method of appointment of the authority employees, and methods, procedures, and systems of operation and management of the authority.

(c) Cause a postaudit of the financial transactions and records of the authority to be made at least annually by a certified public accountant.

(d) (1) Appoint a policy advisory committee composed of one representative of each city in the county and one representative of the county.

(2) Each representative on the policy advisory committee shall be an elected official. If a representative ceases to be an elected official, that representative shall cease to be a member of the committee and another representative from that city or the county shall be appointed.

(3) No person shall serve on the authority and on the policy advisory committee at the same time.

(e) Do any and all things necessary to carry out the purposes of this division.

140106. (a) Notice of the time and place of the public hearing for the adoption of the annual budget shall be published pursuant to Section 6061 of the Government Code, and shall be published not later than the 15th day prior to the date of the hearing.

(b) The proposed annual budget shall be available for public inspection at least 15 days prior to the hearing.

140107. The authority shall rely to the extent possible on existing state, regional, and local transportation planning and programming data and expertise, rather than on a large duplicative authority staff and set of plans.

The authority shall not expend more than six-tenths of 1 percent of the funds generated pursuant to this division in any year for salaries and benefits of its staff.

140108. The Secretary of the Business, Transportation and Housing Agency shall convene the initial meeting of the authority in the City of San Jose within 90 days of the approval of the transactions and use tax at the election conducted pursuant to Chapter 6 (commencing with Section 140250).

140109. The authority shall enter into a contract with the Board of Administration of the Public Employees' Retirement System to include all of the employees of the commission into that retirement system, and the employees shall be entitled to the same health benefits as are state employees pursuant to Part 5 (commencing with Section 22751) of Division 5 of Title 2 of the Government Code.

CHAPTER 4. POWERS AND FUNCTIONS

140150. The authority may adopt a seal and alter it at its pleasure.

140151. The authority may sue and be sued, except as otherwise provided by law, in all actions and proceedings, in all court and tribunals of competent jurisdiction.

140152. All claims for money or damages against the authority are governed by Division 3.6 (commencing with Section 810) of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

140153. The authority may make contracts and enter into stipulations of any nature whatsoever either in connection with eminent domain proceedings or otherwise, including, but not limited to, contracts and stipulations to indemnify and hold harmless, to employ labor, and to do all acts necessary and convenient for the full exercise of the powers granted in this division.

140154. The authority may contract with any department or agency of the United States of America, with any public agency, including, but not limited to, the Department of Transportation, the Metropolitan Transportation Commission, or any transit district, county, or city, or with any person upon any terms and conditions that the authority finds is in its best interest.

140155. Contracts for the purchase of services, supplies, equipment, and materials in excess of ten thousand dollars ($10,000) shall be awarded to the lowest responsible bidder after competitive bidding, except in an emergency declared by the vote of two-thirds of the membership of the authority.

140156. If, after rejecting bids received under Section 140155, the authority determines and declares by a two-thirds vote of all of its members that, in its opinion, the services, supplies, equipment, or materials may be purchased at a lower price in the open market, the authority may proceed to purchase these services, supplies, equipment, or materials in the open market without further observance of the provisions regarding contracts, bids, or advertisements.

CHAPTER 5. TRANSPORTATION COORDINATION

140200. The authority shall consult with, and coordinate its actions to secure funding for the completion and improvement of the priority regional highways with, the cities in the county, the county Board of Supervisors, the Santa Clara County Transit District, the Santa Clara County Transit District Advisory Commission, the Metropolitan Transportation Commission, and the Department of Transportation for the purpose of integrating its planned highway improvements with the highway and transit improvement plans and operations of other transportation agencies impacting the county.

140201. The authority shall prepare and adopt an annual report by January 1 of each year on progress to achieve the objective of

improving commute traffic conditions related to high priority county highways and transit operations.

CHAPTER 6. TRANSACTIONS AND USE TAXES

140250. The Legislature, by the enactment of this chapter, intends that the authority use any funds provided by this chapter to supplement existing local revenues being used for highway transportation purposes. The county and the cities therein are further encouraged to maintain their existing commitment of local funds for highway transportation purposes.

140251. A retail transaction and use tax ordinance applicable in the incorporated and unincorporated territory of the county may be imposed by the authority in accordance with Section 140259 and Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code, if a majority of the electors voting on the measure vote to approve its imposition at an election which may be called for that purpose by the board of supervisors.

The tax ordinance shall take effect at the close of the polls on the day of election at which the proposition, as set forth in subdivision (b) of Section 140260, is adopted. The tax ordinance shall specify the period, not to exceed 10 years, during which the tax is to be imposed. The tax may be terminated earlier if the conditions of Section 140256.5 have been met.

140252. The county, in the ordinance, shall state the nature of the tax to be imposed, shall provide the tax rate or rates or the maximum tax rate or rates, shall specify the purposes for which the revenue derived from the tax will be used, and may set a term during which the tax may be imposed.

140253. (a) The county shall conduct an election called by the board of supervisors pursuant to Section 140251, and the authority shall reimburse the county for its cost in conducting the election.

(b) The election shall be called and conducted in the same manner as provided by law for the conduct of elections by a county.

140254. (a) Any transactions and use tax ordinance adopted pursuant to this article shall be operative on the first day of the first calendar quarter commencing more than 120 days after adoption of the ordinance.

(b) Prior to the operative date of the ordinance, the authority shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of the ordinance.

140255. The revenues from the taxes imposed pursuant to this chapter may be allocated by the authority for the administration of this division, including legal actions related thereto, and for highway capital improvements only, limited to the planning, environmental reviews, design, and construction of streets, roads, and highways. These revenues may also be used for improvements to the state highway system in the manner otherwise provided by law.

140256. (a) The board of supervisors shall review and assess the needs for highway transportation purposes specified in Section 140255. As part of this review and assessment, the board of supervisors shall solicit proposals for highway transportation improvements from the Department of Transportation and the cities in the county. The board of supervisors shall adopt a procedure for evaluating these proposals in consultation with the Department of Transportation and the cities in the county.

(b) Based on the evaluation, the board of supervisors shall prepare a plan for the expenditure of the revenues expected to be derived from the tax provided for in this chapter, together with other federal, state, and local improvements, for a period of 10 years. The first five years of the plan shall be incorporated in the county's annual submission to the Metropolitan Transportation Commission for the state transportation improvement program pursuant to Chapter 2.5 (commencing with Section 65080) of Division 1 of Title 7 of the Government Code.

(c) The expenditure plan shall also include projections of revenues likely to be available in the next five years for capital, maintenance, and operational purposes in categories of transportation facilities, including, but not limited to, freeways, arterial roads, local streets and roads, and transit. Before adoption of an expenditure plan, the board of supervisors shall also conduct public hearings on that plan.

140256.5. (a) In preparing the expenditure plan, the board of supervisors shall give the highest priority to the improvement of State Highway Routes 85, 101, and 237. No funds shall be expended for any other highway project unless the authority, after 45 days' notice and an opportunity for a public hearing, finds, by a majority vote, that the funds cannot be expended on these routes because of either of the following reasons:

(1) Routes 85, 101, and 237 are completed.

(2) Any of these routes which are not completed cannot be completed within a reasonable time due to legal or other constraints.

(b) If the authority makes a finding pursuant to subdivision (a), the authority may expend the funds on one or more specified high priority projects in the county if the expenditure is approved by (1) a majority of those voting at an election in the county on a proposition to authorize the expenditure or (2) a majority vote of the board of supervisors and a majority of the city councils of at least one-half of the cities located within the county and those cities contain at least one-half of the total population of the county.

140256.6. Funds generated pursuant to this division shall not be expended on the improvement of that portion of State Highway Route 85 in any city located entirely within the area bounded by State Highway Route 17, Interstate Route 280, and the portion of the Santa Clara County line common with the Counties of Santa Cruz and San Mateo, unless the Department of Transportation has executed an agreement pursuant to Section 100.2 of the Streets and

Highways Code, if required, with the county and that city.

140256.7. (a) It is the intent of the Legislature that funds generated pursuant to this division do not replace local funds which would otherwise be spent on highway projects. Funds generated pursuant to this division shall not be expended to replace local funds committed by local governments for expenditure on the portion of State Highway Route 85 east of State Highway Route 87 as of the effective date of this division. However, these funds may be expended on Route 85 for the purposes of adding lanes for vehicular traffic or for costs associated with the conversion of Route 85 into an expressway or a freeway.

140256.8. Consideration shall be given for the preservation or replacement of existing bicycle shoulder facilities which may be altered or removed due to construction on transportation corridors under this division. In addition, consideration shall be given for inclusion of bicycle shoulder facilities on any construction on transportation corridors under this division.

140257. (a) The authority may, by the affirmative votes of at least four members, annually approve, or approve subject to amendment, the expenditure plan adopted pursuant to Section 140256 to provide for the use of additional federal, state, and local funds, to account for unexpected revenue fluctuations, or to take into consideration unforeseen circumstances. The authority shall take all appropriate actions to give highest priority to the projects in the initial expenditure plan, and any amendments shall not delay or delete any project in the initial plan without the authority holding a public hearing and adopting a resolution specifically detailing the reason why the amendments are necessary relative to conditions beyond control of the authority.

(b) The authority shall notify the board of supervisors and the city council of each city in the county and provide them with a copy of the proposed amendments.

(c) The proposed amendments shall become effective 45 days after notice is given pursuant to subdivision (b). A public hearing shall be held on the amendment prior to final adoption, if any city or the county takes formal exception to the amendment in writing, within 30 days of receiving the notice.

140258. If a transactions and use tax is adopted pursuant to this chapter, the authority shall prepare and submit a report to the Department of Transportation, to the board of supervisors, and to the city council of each city in the county on or before each January 1 after taxes are imposed pursuant to this chapter. The report shall evaluate and report the progress made in the implementation of the expenditure plan during the preceding fiscal year.

140259. The authority, subject to approval of the voters, may impose the transactions and use tax at a maximum rate of one-half of 1 percent under this chapter and Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code, and the authority may state the maximum tax rate in terms of not to

exceed one-half of 1 percent.

140260. (a) The board of supervisors, as part of the ballot proposition to approve the imposition of a retail transactions and use tax, shall seek authorization to issue bonds payable solely from the proceeds of the tax and shall publish, prior to the submission of the proposition specified in subdivision (b), an initial expenditure plan to be developed pursuant to Section 140256.

(b) The maximum bonded indebtedness which may be authorized shall be an amount equal to the sum of the principal and interest on the bonds not to exceed the estimated proceeds of the transactions and use tax for a period of not more than 10 years. The actual wording of the proposition on any short form of ballot card, label, or other device, regardless of the system of voting used, shall read as follows:

TRANSPORTATION-SANTA CLARA COUNTY COMMUTER RELIEF ACT To create the Santa Clara County Traffic Authority, to improve, expand, and construct the highway transportation system in the county, to authorize the authority to impose a one-half of 1 percent transactions and use tax solely for highway transportation purposes and to issue bonds payable from the proceeds of that tax, and to establish the appropriation limit of the authority in the amount of _____ dollars ($_____).	YES NO	

140261. (a) The bonds authorized by the voters concurrently with the approval of the retail transactions and use tax may be issued by the authority at any time, and from time to time, payable solely from the proceeds of the tax. The bonds shall be referred to as "limited tax bonds."

(b) The pledge of retail transactions and use taxes to the limited tax bonds authorized under this article shall have priority over the use of any of the taxes for "pay-as-you-go" financing, except to the extent that that priority is expressly restricted in the resolution authorizing for the issuance of the bonds.

140262. Limited tax bonds shall be issued pursuant to a resolution adopted at any time, and from time to time, by the authority by a two-thirds vote of all members of the authority. Each resolution shall provide for the issuance of bonds in the amounts as may be necessary, until the full amount of the bonds authorized have been issued. The full amount of bonds may be divided into two or more series and different dates of payment fixed for the bonds of each series. A bond need not mature on its anniversary date.

140263. (a) A resolution authorizing the issuance of bonds shall state all of the following:

(1) The purposes for which the proposed debt is to be incurred, which may include all costs and estimated costs incidental to or connected with the accomplishment of those purposes, including, without limitation, engineering, inspection, legal, fiscal agents, financial consultant and other fees, bond and other reserve funds, working capital, bond interest estimated to accrue during the construction period and for a period not to exceed three years thereafter, and expenses of all proceedings for the authorization, issuance, and sale of the bonds.

(2) The estimated cost of accomplishing those purposes.

(3) The amount of the principal of the indebtedness.

(4) The maximum term the bonds, proposed to be issued, shall run before maturity, which shall not be beyond the date of termination of the imposition of the transactions and use tax.

(5) The maximum rate of interest to be paid, which shall not exceed the maximum allowable by law.

(6) The denomination or denominations of the bonds, which shall not be less than five thousand dollars ($5,000).

(7) The form of the bonds, including, without limitation, registered bonds and coupon bonds, to the extent permitted by federal law, and the form of any coupons to be attached thereto, the registration, conversion, and exchange privileges, if any, pertaining thereto, and the time when all of, or any part of, the principal become due and payable.

(b) The resolution may also contain any other matters authorized by this article or any other law.

140264. The bonds shall bear interest at a rate or rates not

exceeding the maximum allowable by law, payable semiannually, except that the first interest payable on the bonds, or any series thereof, may be for any period not exceeding one year, as determined by the authority.

140265. In the resolution authorizing the issuance of the bonds, the authority may also provide for call and redemption of the bonds prior to maturity at the times and prices and upon other terms as specified. However, no bond is subject to call or redemption prior to maturity, unless it contains a recital to that effect or unless a statement to that effect is printed thereon.

140266. The principal of and interest on the bonds shall be payable in lawful money of the United States at the office of the treasurer of the county or at other places as may be designated, or at both the office and other places at the option of the holders of the bonds.

140267. The bonds, or each series thereof, shall be dated and numbered consecutively and shall be signed by the chairperson or vice chairperson of the authority and the auditor-controller of the county, and the official seal of the authority shall be attached.

The interest coupons of the bonds shall be signed by the auditor-controller of the county. All of the signatures and seal may be printed, lithographed, or mechanically reproduced, except that one of the signatures on the bonds shall be manually affixed.

If any officer whose signature appears on the bonds or coupons ceases to be that officer before the delivery of the bonds, the officer's signature is as effective as if the officer had remained in office.

140268. (a) The bonds may be sold as the authority determines by resolution. The authority may sell the bonds at a price below par. However, the discount on any bonds so sold shall not exceed 5 percent of the par value thereof.

(b) Before selling the bonds, or any part thereof, the authority shall give notice inviting sealed bids in any manner as it may prescribe. If satisfactory bids are received, the bonds offered for sale shall be awarded to the highest responsible bidder. If no bids are received, or if the authority determines that the bids received are not satisfactory as to price or responsibility of the bidders, the authority may reject all bids received, if any, and either readvertise or sell the bonds at private sale.

140269. Delivery of any bonds may be made at any place either inside or outside the state, and the purchase price may be received in cash or bank credits.

140270. All accrued interest and premiums received on the sale of bonds shall be placed in the fund to be used for the payment of principal of and interest on the bonds, and the remainder of the proceeds of the bonds shall be placed in the treasury of the authority and applied to secure the bonds or for the purposes for which the debt was incurred. However, when the purposes have been accomplished, any money remaining shall be either (a)

transferred to the fund to be used for the payment of principal of and interest on the bonds or (b) placed in a fund to be used for the purchase of outstanding bonds of the authority from time to time in the open market at prices and in the manner, either at public or private sale or otherwise, as determined by the authority. Bonds so purchased shall be canceled immediately.

140271. (a) The authority may provide for the issuance, sale, or exchange of refunding bonds to redeem or retire any bonds issued by the authority upon the terms, at the times and in the manner which it determines.

(b) Refunding bonds may be issued in a principal amount sufficient to pay all, or any part of, the principal of the outstanding bonds, the premiums, if any, due upon call and redemption thereof prior to maturity, all expenses of the refunding, and either of the following:

(1) The interest upon the refunding bonds from the date of sale thereof to the date of payment of the bonds to be refunded out of the proceeds of the sale of the refunding bonds or to the date upon which the bonds to be refunded will be paid pursuant to call or agreement with the holders of the bonds.

(2) The interest upon the bonds to be refunded from the date of sale of the refunding bonds to the date of payment of the bonds to be refunded or to the date upon which the bonds to be refunded will be paid pursuant to call or agreement with the holders of the bonds.

(c) The provisions of this chapter for the issuance and sale of bonds apply to the issuance and sale of refunding bonds.

140272. (a) The authority may borrow money in anticipation of the sale of bonds which have been authorized pursuant to this chapter, but which have not been sold and delivered, and may issue negotiable bond anticipation notes therefor and may renew the bond anticipation notes from time to time. However, the maximum maturity of any bond anticipation notes, including the renewals thereof, shall not exceed five years from the date of delivery of the original bond anticipation notes.

(b) The bond anticipation notes, and the interest thereon, may be paid from any money of the authority available therefor, including the revenues from the retail transactions and use taxes imposed pursuant to this chapter. If not previously otherwise paid, the bond anticipation notes, or any portion thereof, or the interest thereon, shall be paid from the proceeds of the next sale of the bonds of the authority in anticipation of which the notes were issued.

(c) The bond anticipation notes shall not be issued in any amount in excess of the aggregate amount of bonds which the authority has been authorized to issue, less the amount of any bonds of the authorized issue previously sold, and also less the amount of other bond anticipation notes therefor issued and then outstanding. The bond anticipation notes shall be issued and sold

in the same manner as the bonds.

(d) The bond anticipation notes and the resolutions authorizing them may contain any provisions, conditions, or limitations which a resolution of the authority authorizing the issuance of bonds may contain.

140273. Any bonds issued under this chapter are legal investment for all trust funds; for the funds of insurance companies, commercial and savings banks, and trust companies; and for state school funds; and whenever any money or funds may, by any law now or hereafter enacted, be invested in bonds of cities, counties, school districts, or other districts within the state, that money or funds may be invested in the bonds issued under this chapter, and whenever bonds of cities, counties, school districts, or other districts within this state may, by any law now or hereafter enacted, be used as security for the performance of any act or the deposit of any public money, the bonds issued under this chapter may be so used. The provisions of this chapter are in addition to all other laws relating to legal investments and shall be controlling as the latest expression of the Legislature with respect thereto.

140274. Any action or proceeding wherein the validity of the adoption of the retail transactions and use tax ordinance provided for in this chapter or the issuance of any bonds thereunder or any of the proceedings in relation thereto is contested, questioned, or denied, shall be commenced within six months from the date of the election at which the ordinance is approved; otherwise, the bonds and all proceedings in relation thereto, including the adoption and approval of the ordinance, shall be held to be valid and in every respect legal and incontestable.

SEC. 2. Section 7252.6 is added to the Revenue and Taxation Code, to read:

7252.6. "District," as used in this part, also means the Santa Clara County Traffic Authority, if authorized to impose transactions and use taxes pursuant to this part.

This section shall remain in effect as long as Division 13 (commencing with Section 140000) of the Public Utilities Code, but shall be repealed upon the repeal of that division.

SEC. 3. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Sections 2231 or 2234 of the Revenue and Taxation Code because this act is in accordance with the request of a local agency or school district which desired legislative authority to carry out the program specified in this act.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the serious traffic congestion problems in Santa Clara County, which threatens the economic viability of the

county and adversely impact the quality of life therein, be ameliorated as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 447

An act to repeal and add Chapter 1.5 (commencing with Section 16110 of Part 1 of Division 4 of Title 2 of the Government Code, to amend Sections 75.70, 95, 97, and 98 of, to add Sections 97.3 and 11005.2 to, and to repeal Section 75.71 of, the Revenue and Taxation Code, relating to public finance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 16, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares that some local agencies lack sufficient revenues to meet their obligations to the landowners and residents they serve. It is the intent of the Legislature in enacting this act to provide local agenices with reliable, stable, and very predictable revenues to finance these obligations. This act shall be known and may be cited as the "Long-Term Local Financing Act of 1984."

SEC. 2. Chapter 1.5 (commencing with Section 16110) of Part 1 of Division 4 of Title 2 of the Government Code is repealed.

SEC. 3. Chapter 1.5 (commencing with Section 16110) is added to Part 1 of Division 4 of Title 2 of the Government Code, to read:

CHAPTER 1.5. SPECIAL SUPPLEMENTAL SUBVENTIONS

16110. It is the purpose of this chapter to provide special supplemental subventions to certain cities, multicounty special districts, and redevelopment agencies which, without these subventions, would lose substantial revenue because of the repeal of the former personal property tax subvention programs.

16111. (a) Out of the amount appropriated to the Controller from the General Fund, the Controller shall allocate to each city, multicounty special district, and redevelopment agency an amount in accordance with the terms and conditions set forth in this section.

(b) For each city the Controller shall determine the amount of personal property tax subvention payments which would have been received by the city in the 1983–84 fiscal year, but for the operation of Section 100.7 of the Revenue and Taxation Code.

(1) For the 1984–85 fiscal year, the Controller shall allocate to each city an amount which is 50 percent of the amount determined pursuant to this subdivision.

(2) For the 1985–86 fiscal year, the Controller shall allocate to each city an amount which is 40 percent of the amount determined pursuant to this subdivision.

(3) For the 1986–87 fiscal year, the Controller shall allocate to each city an amount which is 30 percent of the amount determined pursuant to this subdivision.

(4) For the 1987–88 fiscal year, the Controller shall allocate to each city an amount which is 20 percent of the amount determined pursuant to this subdivision.

(5) For the 1988–89 fiscal year, the Controller shall allocate to each city an amount which is 10 percent of the amount determined pursuant to this subdivision.

(6) For the 1989–90 fiscal year, and each fiscal year thereafter, the Controller shall not allocate any funds to a city pursuant to this subdivision.

(c) Upon, and only upon, application by a multicounty special district or redevelopment agency, the Controller shall determine the loss occasioned by the repeal of the former personal property tax subvention program, as follows:

(1) The Controller shall determine the amount of personal property tax subventions which would have been received by the district or redevelopment agency in the 1983–84 fiscal year, but for the operation of Section 100.7 of the Revenue and Taxation Code.

(2) The Controller shall determine the amount of revenue received by the district or redevelopment agency pursuant to Section 75.70 of the Revenue and Taxation Code for that fiscal year.

(3) If the amount determined pursuant to paragraph (2) is less than the amount determined pursuant to paragraph (1), then the Controller shall allocate to the district or redevelopment agency an amount equal to the difference between the amounts determined pursuant to paragraphs (1) and (2).

(4) The Controller shall make no allocation to a district for that fiscal year in which the amount determined pursuant to paragraph (2) is greater than or equal to the amount determined pursuant to paragraph (1).

(5) The Controller shall make no allocation to a redevelopment agency for that fiscal year in which the amount determined pursuant to paragraph (2) is greater than or equal to the amount determined pursuant to paragraph (1) or for any fiscal year thereafter, except as provided in this paragraph. In any fiscal year after a fiscal year in which the amount determined pursuant to paragraph (2) is greater than or equal to the amount determined pursuant to paragraph (1), the Controller shall allocate to the redevelopment agency the amount determined pursuant to paragraph (3) less any amount by which the amount determined pursuant to paragraph (2) is greater than the amount determined pursuant to paragraph (1) in any previous fiscal year.

16111.5. (a) From the amount appropriated specifically for the purposes of this section, for the 1984–85 fiscal year only, the

Controller shall allocate to each nonenterprise special district an amount in accordance with the terms and conditions set forth in this section.

(b) Upon, and only upon, application by a nonenterprise special district, the Controller shall determine the loss occasioned by the repeal of the former personal property tax subvention program, as follows:

(1) The Controller shall determine the amount of personal property tax subventions which would have been received by the nonenterprise special district in the 1983–84 fiscal year, but for the operation of Section 100.7 of the Revenue and Taxation Code.

(2) The Controller shall determine the amount of revenue received by the nonenterprise special district pursuant to Section 75.70 of the Revenue and Taxation Code for the 1984–85 fiscal year.

(3) If the amount determined pursuant to paragraph (2) is less than the amount determined pursuant to paragraph (1), then the Controller shall allocate to the nonenterprise special district an amount equal to the difference between the amounts determined pursuant to paragraphs (1) and (2).

(4) The Controller shall make no allocation to a nonenterprise special district if the amount determined pursuant to paragraph (2) is greater than or equal to the amount determined pursuant to paragraph (1).

(c) If the amount appropriated specifically for the purpose of this section is not sufficient to pay all the claims made pursuant to this section, the Controller shall reduce the allocations on a pro rata basis.

(d) As used in this section, "nonenterprise special district" means a special district which is not identified as an enterprise special district in the most recent Controller's Annual Report on Financial Transactions of Special Districts and is not a multicounty special district, as defined in Section 16113.

16112. (a) Applications to the Controller pursuant to this chapter shall be made in the time, format, and manner prescribed by the Controller.

(b) The Controller shall make payments to each multicounty special district or redevelopment agency in two equal installments each year. The Controller shall make one payment on or before December 30, and the other payment on or before June 30. The Controller shall pay to each city on or before November 15 of each year the amount determined pursuant to subdivision (b) of Section 16111.

(c) All officers and employees of any county, city, special district, or redevelopment agency and any state agency, board, or commission shall furnish the Controller with any records or information in their possession which may be necessary to assist the Controller in carrying out the purposes and requirements of this chapter.

16113. As used in this chapter, "multicounty special district" has the same meaning as that term is defined in subdivisions (c) and (d)

of Section 16271.

SEC. 4. Section 75.70 of the Revenue and Taxation Code is amended to read:

75.70. (a) Notwithstanding any other provision of law, for the 1983–84 fiscal year, each county auditor shall allocate to all elementary, high school, and unified school districts within the county in proportion to each district's average daily attendance, as certified by the Superintendent of Public Instruction for purposes of the advance apportionment of state aid in the then current fiscal year, without respect to the allocation of property tax revenues pursuant to Chapter 6 (commencing with Section 95) of Part 0.5, and without respect to allocation and payment of funds as provided for in subdivision (b) of Section 33670 of the Health and Safety Code, an amount equal to the additional revenues generated by the rate levied pursuant to subdivision (a) of Section 1 of Article XIII A of the California Constitution applied to the increased assessments under this chapter. Additional revenues generated by a rate or rates levied in excess of the limitation prescribed by subdivision (a) of Section 1 of Article XIII A of the California Constitution shall be allocated to the fund for which the tax rate or rates were levied.

These allocations shall be made on a timely basis but no later than 10 working days after the close of the preceding accounting period.

(b) For the 1984–85 fiscal year, the county auditor shall, without respect to the allocation of property tax revenues pursuant to Chapter 6 (commencing with Section 95) of Part 0.5, do all of the following:

(1) Make the allocation and payment of funds as provided in Section 33670 of the Health and Safety Code.

(2) Allocate to the county the amount determined pursuant to Section 75.60.

(3) Allocate to the county an amount equal to the total amount of additional revenues generated by the rate levied pursuant to subdivision (a) of Section 1 of Article XIII A of the California Constitution applied to the increased assessments under this chapter, less the amount determined pursuant to paragraphs (1) and (2), the remainder multiplied by the county's property tax apportionment factor determined pursuant to Section 97.5.

(4) Allocate to each community college district and county superintendent of schools within the county an amount equal to the total amount of additional revenues generated by the rate levied pursuant to subdivision (a) of Section 1 of Article XIII A of the California Constitution applied to the increased assessments under this chapter, less the amount determined pursuant to paragraphs (1) and (2), the remainder multiplied by each county superintendent of schools' and community college district's property tax apportionment factor determined pursuant to Section 97.5.

(5) Allocate to each city within the county an amount equal to the total amount of additional revenue generated by the rate levied pursuant to subdivision (a) of Section 1 of Article XIII A of the

California Constitution applied to the increased assessments under this chapter, less the amount determined pursuant to paragraphs (1) and (2), the remainder multiplied by each city's property tax apportionment factor determined pursuant to Section 97.5.

(6) Allocate to each special district within the county an amount equal to the total amount of additional revenues generated by the rate levied pursuant to subdivision (a) of Section 1 of Article XIII A of the California Constitution applied to the increased assessments under this chapter, less the amount determined pursuant to paragraphs (1) and (2), the remainder multiplied by each special district's property tax apportionment factor determined pursuant to Section 97.5.

(7) Allocate the remaining revenues generated by the rate levied pursuant to subdivision (a) of Section 1 of Article XIII A of the California Constitution applied to the increased assessments under this chapter to all elementary, high school, and unified school districts within the county in proportion to each district's average daily attendance, as certified by the Superintendent of Public Instruction for purposes of the advance apportionment of state aid in the then current fiscal year.

(8) Allocate additional revenues generated by a rate levied in excess of the limitation prescribed by subdivision (a) of Section 1 of Article XIII A of the California Constitution to the fund or funds for which the tax rate or rates were levied.

These allocations shall be made on a timely basis but no later than 10 working days after the close of the preceding accounting period.

(c) For the 1985–86 fiscal year, and each fiscal year thereafter, the county auditor shall, without respect to the allocation of property tax revenues pursuant to Chapter 6 (commencing with Section 95) of Part 0.5, do all of the following:

(1) Make the allocation and payment of funds as provided in Section 33670 of the Health and Safety Code.

(2) Allocate to the county an amount equal to the total amount of additional revenues generated by the rate levied pursuant to subdivision (a) of Section 1 of Article XIII A of the California Constitution applied to the increased assessments under this chapter, less the amount determined pursuant to paragraph (1), the remainder multiplied by the county's property tax apportionment factor determined pursuant to Section 97.5.

(3) Allocate to each county superintendent of schools and community college district within the county an amount equal to the total amount of additional revenues generated by the rate levied pursuant to subdivision (a) of Section 1 of Article XIII A of the California Constitution applied to the increased assessments under this chapter, less the amount determined pursuant to paragraph (1), the remainder multiplied by each county superintendent of schools' and community college district's property tax apportionment factor determined pursuant to Section 97.5.

(4) Allocate to each city within the county an amount equal to the

total amount of additional revenues generated by the rate levied pursuant to subdivision (a) of Section 1 of Article XIII A of the California Constitution applied to the increased assessments under this chapter, less the amount determined pursuant to paragraph (1), the remainder multiplied by each city's property tax apportionment factor determined pursuant to Section 97.5.

(5) Allocate to each special district within the county an amount equal to the total amount of additional revenues generated by the rate levied pursuant to subdivision (a) of Section 1 of Article XIII A of the California Constitution applied to the increased assessments under this chapter, less the amount determined pursuant to paragraph (1), the remainder multiplied by each city's property tax apportionment factor determined pursuant to Section 97.5.

(6) Allocate the remaining revenues generated by the rate levied pursuant to subdivision (a) of Section 1 of Article XIII A of the California Constitution applied to the increased assessments under this chapter to all elementary, high school, and unified school districts within the county in proportion to each district's average daily attendance, as certified by the Superintendent of Public Instruction for the purposes of the advance apportionment of state aid in the then current fiscal year.

(7) Allocate additional revenues generated by a rate levied in excess of the limitation prescribed by subdivision (a) of Section 1 of Article XIII A of the California Constitution to the fund or funds for which the tax rate or rates were levied.

These allocations shall be made on a timely basis but no later than 10 working days after the close of the preceding accounting period.

(d) For purposes of the certification made by the Superintendent of Public Instruction pursuant to subdivision (a), the average daily attendance of the following districts shall be deemed to be zero:

(1) In the case of multicounty districts, the portions of the districts located other than in the county of control.

(2) Any district which received two thousand four hundred dollars ($2,400) or one hundred twenty dollars ($120) per average daily attendance, whichever is greater, in the prior fiscal year.

(e) The Superintendent of Public Instruction shall certify the appropriate counts of average daily attendance pursuant to subdivision (a) to each county auditor no later than July 15 of each applicable fiscal year.

(f) On or before April 15, the auditor of each county shall furnish to the Superintendent of Public Instruction the estimated amount of tax receipts pursuant to this section of each school district situated within his or her county.

SEC. 5. Section 75.71 of the Revenue and Taxation Code is repealed.

SEC. 6. Section 95 of the Revenue and Taxation Code is amended to read:

95. For the purpose of this chapter,

(a) "Local agency" means a city, county, and special district.

(b) "Jurisdiction" means a local agency, school district, community college district, or county superintendent of schools.

For jurisdictions located in more than one county, the county auditor of each county in which that jurisdiction is located shall, for the purposes of computing the amount for that jurisdiction pursuant to this chapter, treat the portion of the jurisdiction located within that county as a separate jurisdiction.

(c) "Property tax revenue" includes the amount of state reimbursement for the homeowners' exemption.

"Property tax revenue" does not include the amount of property tax levied for the purpose of making payments for the interest and principal on general obligation bonds or other indebtedness approved by the voters prior to July 1, 1978, including tax rates levied pursuant to Part 10 (commencing with Section 15000) of Division 1 of, and Sections 39308, 39311, 81338, and 81341 of the Education Code, and Section 26912.7 of the Government Code.

(d) "Taxable assessed value" means total assessed value minus all exemptions other than the homeowners' and business inventory exemptions.

(e) "Jurisdictional change" includes a change of organization, as defined in Section 35027 of the Government Code, an incorporation, as defined in Section 35037 of the Government Code, a municipal reorganization, as defined in Section 35042 of the Government Code, a change of organization, as defined in Section 56028 of the Government Code, a formation, as defined in Section 56042 of the Government Code, and a reorganization, as defined in Section 56068 of the Government Code. "Jurisdictional change" also includes any change in the boundary of those special districts which are not under the jurisdiction of a local agency formation commission.

Jurisdictional change shall also include a functional consolidation where two or more local agencies, except two or more counties, exchange or otherwise reassign functions and any change in the boundaries of a school district or community college district or county superintendent of schools.

(f) "School entities" means school districts, community college districts, and county superintendents of schools.

(g) Except as otherwise provided in this subdivision, "tax-rate area" means a specific geographic area all of which is within the jurisdiction of the same combination of local agencies and school entities for the current fiscal year.

In the case of a jurisdictional change pursuant to Section 99, the area subject to the change shall constitute a new tax-rate area, except that if the area subject to change is within the same combinations of local agencies and school entities as an existing tax-rate area, the two tax-rate areas may be combined into one tax-rate area.

(h) "State assistance payments" means:

(1) For counties, amounts determined pursuant to subdivision (b) of Section 16260 of the Government Code, increased by the amount specified for each county pursuant to Section 94 of Chapter 282 of the

Statutes of 1979, with the resultant sum reduced by an amount derived by the calculation made pursuant to Section 16713 of the Welfare and Institutions Code.

(2) For cities, 82.91 percent of the amounts determined pursuant to subdivisions (b) and (i) of Section 16250 of the Government Code plus for any city an additional amount equal to one-half of the amount of any outstanding debt as of June 30, 1978, for "museums" as shown in the Controller's "Annual Report of Financial Transactions of Cities for Fiscal Year 1977–78."

(3) For special districts, 95.24 percent of the amounts received pursuant to Chapter 3 (commencing with Section 16270) of Part 1.5 of Division 4 of Title 2 of the Government Code, Section 35.5 of Chapter 332 of the Statutes of 1978, and Chapter 12 of the Statutes of 1979.

(i) "City clerk" means the clerk of the governing body of a city or city and county.

(j) "Executive officer" means the executive officer of a local agency formation commission.

(k) "City" means any city whether general law or charter, except a city and county.

(*l*) "County" means any chartered or general law county. "County" includes a city and county.

(m) "Special district" means any agency of the state for the local performance of governmental or proprietary functions within limited boundaries. "Special district" includes a county service area, a maintenance district or area, an improvement district or improvement zone, or any other zone or area, formed for the purpose of designating an area within which a property tax rate will be levied to pay for a service or improvement benefiting that area. "Special district" includes the Bay Area Air Quality Management District. "Special district" does not include a city, a county, a school district or a community college district. "Special district" does not include any agency which is not authorized by statute to levy a property tax rate. However, any special district authorized to levy a property tax by the statute under which the district was formed shall be considered a special district.

SEC. 7. Section 97 of the Revenue and Taxation Code is amended to read:

97. Except as otherwise provided in Section 97.3, for the 1980–81 fiscal year and each fiscal year thereafter, property tax revenues shall be apportioned to each jurisdiction pursuant to this section and Section 97.5 by the county auditor, subject to allocation and payment of funds as provided for in subdivision (b) of Section 33670 of the Health and Safety Code, to each jurisdiction in the following manner:

(a) Except as provided in subdivision (b), for each tax rate area, each jurisdiction shall be allocated an amount of property tax revenue equal to the amount of property tax revenue allocated pursuant to this chapter to each jurisdiction in the prior fiscal year, modified by any adjustments required by Section 99.

(b) For each tax rate area, each special district shall be allocated an amount of property tax revenue equal to the amount of property tax revenue which would have been allocated pursuant to this chapter to such district in the prior fiscal year if no adjustment had been made pursuant to Section 98.6. This amount shall then be adjusted for the current year pursuant to Section 98.6.

(c) The difference between the total amount of property tax revenue and the amounts allocated pursuant to subdivision (a) shall be allocated pursuant to Section 98, and shall be known as the "annual tax increment".

(d) For purposes of this section, the amount of property tax revenue referred to in subdivision (a) shall not include amounts generated by the increased assessments under Chapter 3.5 (commencing with Section 75).

SEC. 8. Section 97.3 is added to the Revenue and Taxation Code, to read:

97.3. (a) In The County of Orange, the computations made pursuant to Section 97, for the 1984–85 fiscal year only, shall be modified as follows:

(1) With respect to tax rate areas within the boundaries of a qualifying city, there shall be excluded from the aggregate amount of "property tax revenue allocated pursuant to this chapter to local agencies, other than for a qualifying city, in the prior fiscal year," an amount equal to the sum of amounts calculated pursuant to the TEA formula, as defined in subdivision (c).

(2) The amount excluded pursuant to paragraph (1) shall be subtracted from the allocations of all local agencies other than a qualifying city with tax rate areas within the boundaries of a qualifying city in proportion to each such local agency's share of the total 1983–84 property tax revenues, as defined in subdivision (c) of Section 95, allocated to all those tax rate areas.

(b) (1) Each qualifying city, as defined in subdivision (d), shall for the 1984–85 fiscal year only, be allocated by the auditor an amount determined pursuant to the TEA formula, as defined in subdivision (c).

(2) For each qualifying city, the auditor shall distribute the amount determined pursuant to the TEA formula to all tax rate areas within the city in proportion to each tax rate area's share of the total 1983–84 assessed value in the city.

(3) After making the allocations, pursuant to paragraphs (1) and (2) but before making the calculations pursuant to Section 98, the auditor shall, for all tax rate areas in the qualifying city, calculate the proportionate share of property tax revenue allocated pursuant to this section and Section 97 in the 1984–85 fiscal year to each jurisdiction in the tax rate area.

(4) In lieu of making the allocations of annual tax increment pursuant to subdivision (e) of Section 98, the auditor shall for the 1984–85 fiscal year only, allocate the amount of property tax revenue determined pursuant to subdivision (d) of Section 98 to jurisdictions

in the tax rate area using the proportionate shares derived pursuant to paragraph (3).

(5) For purposes of the calculations made pursuant to Section 97, in the 1985–86 fiscal year and fiscal years thereafter, the amounts allocated to qualifying cities pursuant to this subdivision (notwithstanding any deduction made pursuant to subdivision (e)) shall be deemed to be the "amount of property tax revenue allocated pursuant to this chapter in the prior fiscal year."

(c) "TEA formula" shall mean Tax Equity Allocation formula, and shall be calculated by the auditor by applying a tax rate of ten cents ($.10) per $100 assessed value to the 1983–84 assessed value of the qualifying city.

(d) "Qualifying city" shall mean any city in the County of Orange which existed but did not levy a property tax in the 1977–78 fiscal year.

(e) The auditor may assess each qualifying city its proportional share of the actual costs of making the calculations required by this section, and may deduct that assessment from the amount allocated pursuant to subdivision (b). For purposes of this subdivision, a qualifying city's proportional share of the auditor's actual costs shall not exceed the proportion it receives of the total amounts excluded in the county pursuant to paragraph (1) of subdivision (a).

SEC. 9. Section 98 of the Revenue and Taxation Code is amended to read:

98. The difference between the total amount of property tax revenue computed each year using the equalized assessment roll and the sum of the amounts allocated pursuant to subdivisions (a) and (b) of Section 96 or subdivision (a) of Section 97 shall be known and may be cited as the annual tax increment, and shall be allocated, subject to allocation and payment of funds as provided for in subdivision (b) of Section 33670 of the Health and Safety Code, and modified by any adjustments made pursuant to Section 99, as follows:

(a) For each tax rate area, the auditor shall determine an amount of property tax revenue by multiplying the value of the change in taxable assessed value from the equalized assessment roll for the prior fiscal year to the equalized assessment roll for the current fiscal year by a tax rate of four dollars ($4) per one hundred dollars ($100) of assessed value. When computing the change in taxable assessed value between the 1980–81 fiscal year and the 1981–82 fiscal year, the assessed values for the 1980–81 fiscal year shall be multiplied by four. Starting with the 1981–82 fiscal year, the tax rate used in this calculation shall be one dollar per one hundred dollars ($100) of full value.

(b) Each amount determined pursuant to subdivision (a) shall be divided by the total of all such amounts computed for all tax rate areas within the county.

(c) The difference between the total amount of property tax revenue for the county and the sum of the amounts allocated pursuant to subdivisions (a) and (b) of Section 96 or subdivision (a)

of Section 97 shall be computed.

(d) The amount determined pursuant to subdivision (c) shall be multiplied by the quotients determined pursuant to subdivision (b) to derive, for each tax rate area, the amount of property tax revenue attributable to changes in assessed valuation.

(e) Except as provided in paragraph (4) of subdivision (b) of Section 97.3 with respect to the County of Orange in the 1984–85 fiscal year only, the amount of property tax revenue determined pursuant to subdivision (d) shall be allocated to the jurisdictions in the tax rate area in the same proportion that the total property tax revenue determined pursuant to subdivision (d) for the prior year was allocated to all such jurisdictions in the tax rate area except that those proportions within each tax rate area may be adjusted for affected agencies pursuant to the provisions of Section 99.

(f) For the 1979–80 fiscal year only:

(1) The amount of property tax revenue, attributable to the tax rate area, for each jurisdiction for the prior fiscal year shall be considered to be the total property tax revenue for such jurisdiction for fiscal year 1978–79 allocated among tax rate areas in the same proportion which the taxable assessed valuation for fiscal year 1978–79 in each tax rate area bears to the total taxable assessed valuation of all tax rate areas in which the jurisdiction was located in fiscal year 1978–79.

(2) Property tax revenue received by local agencies in the prior fiscal year shall include the amount of state assistance payments allocated to each local agency, allocated among tax rate areas in proportion to the jurisdiction's taxable assessed valuation within each tax rate area for the 1978–79 fiscal year.

(3) Property tax revenue received by school entities in the prior fiscal year shall be reduced by the adjustments required by subdivision (b) of Section 96, allocated among tax rate areas, in proportion to the school entity's taxable assessed valuation within each tax rate area for the 1978–79 fiscal year.

(g) Any agency which has not filed a map of its boundaries by January 1, in compliance with Chapter 8 (commencing with Section 54900) of Part 1 of Division 2 of Title 5 of the Government Code, shall not receive any allocation pursuant to this section for the following fiscal year.

(h) For the purpose of this section, for the 1980–81 fiscal year, the 1979–80 taxable assessed valuation shall be adjusted to delete the amounts reflecting prior years' taxable business inventories.

SEC. 10. Section 11005.2 is added to the Revenue and Taxation Code, to read:

11005.2. Notwithstanding subdivision (b) of Section 11005, the Controller shall not allocate any revenue pursuant to paragraph (1) of that subdivision to any city which receives revenue pursuant to Section 97.3.

SEC. 11. (a) Except as otherwise provided in subdivision (b), the provisions of this act shall become operative on July 1, 1984.

(b) The provisions of this act shall not become operative unless and until Assembly Bill 1849 of the 1983–84 Regular Session is chaptered.

SEC. 12. The Legislature, in enacting Section 8 of this act, finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution due to the following unique circumstances:

The City of Yorba Linda is the only city in the County of Orange that is precluded from sharing in the distribution of property tax revenues. Nevertheless, that city's population has grown substantially in recent years as evidenced by the United States Census figures for 1970 and 1980, which show an increase from 11,856 to 23,254. Today, Yorba Linda's population exceeds 33,000 and is projected to nearly double in another 10 years. Equally significant is the fact that the city's corporate boundaries have expanded from four square miles at incorporation in 1967, to 18 square miles today, and its assessed value has grown to one billion one hundred million dollars ($1,100,000,000). However, the City of Yorba Linda is essentially a bedroom community with very low sales tax revenues. Therefore, property tax revenues are necessary to support the rapidly expanding demand for municipal services.

SEC. 13. The sum of one hundred eighty-two million dollars ($182,000,000) is hereby appropriated from the General Fund to Section A of the State School Fund for apportionment during the 1984–85 fiscal year.

SEC. 13.5. The sum of ten million dollars ($10,000,000) is hereby appropriated from the General Fund to the Controller for allocation during the 1984–85 fiscal year pursuant to Section 16111.5 of the Revenue and Taxation Code.

SEC. 14. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to those sections because self-financing authority is provided in this act to cover costs that may be incurred in carrying on any program or performing any service required to be carried on or performed by this act.

SEC. 15. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

SEC. 16. The provisions of this act shall not become operative unless and until sufficient funds are appropriated to Section A of the State School Fund for apportionment during the 1984–85 fiscal year to reimburse school districts for the loss of property tax revenues which would be caused by this act for the 1984–85 fiscal year by the shift of property tax revenues to other entities of local government.

SEC. 17. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into

immediate effect. The facts constituting the necessity are:

In order that this act, which would make statutory changes necessary to provide for local governmental financing during the 1984–85 fiscal year, may take effect before the commencement of the 1984–85 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 448

An act to amend Sections 97.5, 98, 98.6, 100.2, 100.3, and 11005 of, to add Section 75.71 to, to repeal Sections 75.71, 100.4, 11005.7, 11005.75, 11005.8, 11005.85, and 11005.86 of, and to repeal Chapter 8 (commencing with Section 100.5) of Part 0.5 of Division 1 of, the Revenue and Taxation Code, relating to public finance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 16, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 75.71 of the Revenue and Taxation Code is repealed.

SEC. 2. Section 75.71 is added to the Revenue and Taxation Code, to read:

75.71. Notwithstanding any other provision of law, the amounts allocated pursuant to this chapter to a special district, other than a special district governed by a county board of supervisors or whose governing board is the same as the county board of supervisors, shall not be reduced pursuant to Section 98.6 and shall be disbursed directly to the district by the county auditor.

SEC. 3. Section 97.5 is of the Revenue and Taxation Code is amended to read:

97.5. For the purpose of apportioning property tax revenues each fiscal year:

(a) The amount of property tax revenue allocated pursuant to subdivisions (a) and (b) of Section 96 or subdivision (a) of Section 97, modified by any adjustments made pursuant to subdivision (e) of Section 98 and Section 99,shall be combined to compute the total amount of property tax revenue allocated to the jurisdiction with respect to the tax rate area.

(b) The total amount of property tax revenue allocated to each jurisdiction with respect to all tax rate areas as determined pursuant to subdivision (a) shall be added to compute a total amount of property tax revenue for a jurisdiction in all tax rate areas.

(c) Each amount determined pursuant to subdivision (b) shall be divided by the total of all such amounts computed. The quotient

determined shall be used to apportion actual property tax collections and shall be known as the "property tax apportionment factors."

(d) For 1980–81 and each year thereafter, prior years' property tax revenues shall be apportioned using the factors determined pursuant to subdivision (c) for the immediately preceding fiscal year.

(e) Notwithstanding the provisions of this section property tax revenues may be apportioned by tax rate area.

(f) For purposes of this section, the amount of property tax revenue referred to in subdivision (a) shall not include amounts generated by the increased assessments under Chapter 3.5 (commencing with Section 75).

SEC. 4. Section 98 of the Revenue and Taxation Code is amended to read:

98. The difference between the total amount of property tax revenue computed each year using the equalized assessment roll and the sum of the amounts allocated pursuant to subdivisions (a) and (b) of Section 96 or subdivision (a) of Section 97 shall be known and may be cited as the annual tax increment, and shall be allocated, subject to allocation and payment of funds as provided for in subdivision (b) of Section 33670 of the Health and Safety Code, and modified by any adjustments made pursuant to Section 99, as follows:

(a) For each tax rate area, the auditor shall determine an amount of property tax revenue by multiplying the value of the change in taxable assessed value from the equalized assessment roll for the prior fiscal year to the equalized assessment roll for the current fiscal year by a tax rate of four dollars ($4) per one hundred dollars ($100) of assessed value. When computing the change in taxable assessed value between the 1980–81 fiscal year and the 1981–82 fiscal year, the assessed values for the 1980–81 fiscal year shall be multiplied by four. Starting with the 1981–82 fiscal year, the tax rate used in this calculation shall be one dollar per one hundred dollars ($100) of full value.

(b) Each amount determined pursuant to subdivision (a) shall be divided by the total of all such amounts computed for all tax rate areas within the county.

(c) The difference between the total amount of property tax revenue for the county and the sum of the amounts allocated pursuant to subdivisions (a) and (b) of Section 96 or subdivision (a) of Section 97 shall be computed.

(d) The amount determined pursuant to subdivision (c) shall be multiplied by the quotients determined pursuant to subdivision (b) to derive, for each tax rate area, the amount of property tax revenue attributable to changes in assessed valuation.

(e) Except as provided in paragraph (4) of subdivision (b) of Section 97.3 with respect to the County of Orange in the 1984–85 fiscal year only, the amount of property tax revenue determined pursuant to subdivision (d) shall be allocated to the jurisdictions in the tax rate area in the same proportion that the total property tax revenue determined pursuant to subdivision (d) for the prior year

was allocated to all such jurisdictions in the tax rate area except that those proportions within each tax rate area may be adjusted for affected agencies pursuant to the provisions of Section 99.

(f) For the 1979–80 fiscal year only:

(1) The amount of property tax revenue, attributable to the tax rate area, for each jurisdiction for the prior fiscal year shall be considered to be the total property tax revenue for such jurisdiction for fiscal year 1978–79 allocated among tax rate areas in the same proportion which the taxable assessed valuation for fiscal year 1978–79 in each tax rate area bears to the total taxable assessed valuation of all tax rate areas in which the jurisdiction was located in fiscal year 1978–79.

(2) Property tax revenue received by local agencies in the prior fiscal year shall include the amount of state assistance payments allocated to each local agency, allocated among tax rate areas in proportion to the jurisdiction's taxable assessed valuation within each tax rate area for the 1978–79 fiscal year.

(3) Property tax revenue received by school entities in the prior fiscal year shall be reduced by the adjustments required by subdivision (b) of Section 96, allocated among tax rate areas, in proportion to the school entity's taxable assessed valuation within each tax rate area for the 1978–79 fiscal year.

(g) Any agency which has not filed a map of its boundaries by January 1, in compliance with Chapter 8 (commencing with Section 54900) of Part 1 of Division 2 of Title 5 of the Government Code, shall not receive any allocation pursuant to this section for the following fiscal year.

(h) For the purpose of this section, for the 1980–81 fiscal year, the 1979–80 taxable assessed valuation shall be adjusted to delete the amounts reflecting prior years' taxable business inventories.

SEC. 5. Section 98.6 of the Revenue and Taxation Code is amended to read:

98.6. (a) Notwithstanding any other provision of this chapter, the amount allocated pursuant to Sections 96 or 97, and 98, to a special district, as defined in Article 1 (commencing with Section 2201) of Chapter 3 of Part 4, excluding multicounty districts, shall be reduced by an amount computed as follows:

(1) A ratio shall be computed for each of the special districts equal to the amount of state assistance payment for the special district for the 1978–79 fiscal year divided by the sum of the state assistance payment for the special district plus the amount of property tax revenue allocated to the special district for the 1978–79 fiscal year pursuant to Section 26912 of the Government Code.

(2) The amount by which the allocation pursuant to Sections 96 or 97, and 98, shall be reduced shall be equal to the allocation multiplied by the factor computed for the district pursuant to paragraph (1).

(3) For the 1984–85 fiscal year and each fiscal year thereafter, the amount computed for each special district pursuant to this

subdivision, other than a special district governed by a county board of supervisors or whose governing board is the same as the county board of supervisors, shall not be greater than the amount computed for the 1983–84 fiscal year.

(4) The total of all amounts computed for special districts within each county shall be deposited in the Special District Augmentation Fund which shall specify amounts for each governing body as defined in Section 16271 of the Government Code and which shall be allocated pursuant to subdivision (b).

(b) There is hereby created a Special District Augmentation Fund in each county to augment the revenues of those special districts the allocations of which have been reduced pursuant to subdivision (a). The auditor shall, on or before September 30 of each year, notify each governing body, as defined in Section 16271 of the Government Code, of the amount allocated to it pursuant to this section.

Within 15 days of the notice, the governing body shall hold a public hearing for the purpose of determining the distribution of the funds. The governing body shall send written notice to the legislative body of each special district which is not governed by the board of supervisors or the city council and shall publish the notice in a newspaper of general circulation in the county not less than three days prior to the hearing. The notice shall include the amount of funds available to special districts, and the time and place of the hearing.

Within 30 days of the notice of allocation, the governing body shall determine the amount of funds to be disbursed to each special district. In determining the amount of funds to be disbursed to each special district, the governing body shall not:

(1) Consider as district revenues any assessments, charges, or special taxes collected pursuant to Section 50077 or 50078 or Article 16 (commencing with Section 53970) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code.

(2) Allocate to a district which collected those assessments, charges, or special taxes, an amount less than the amount which would have been allocated to the district had it not collected any assessments, charges, or special taxes.

(3) Consider revenues distributed to the district from the supplemental unsecured property tax revenue as defined in Section 97.1.

(c) In determining the amount of funds to be disbursed to a special district, the governing body may restrict the use of the funds requested by a special district for purposes of capital purchases to those purposes.

(d) The funds provided for by subdivisions (b) and (c) shall be used exclusively for special districts and shall not be used for any general county or municipal expenses, except that:

(1) The governing body may allocate to its general fund an amount not to exceed the actual demonstrated cost of administering

the Special District Augmentation Fund, which shall be an amount necessary to reimburse the actual demonstrated expenditures made to carry out the requirements of subdivisions (a) and (b), and also the actual demonstrated cost of providing the assistance requested by special districts, which amount shall not exceed 1 percent of the amount in the fund.

(2) The governing body may allocate to a special account in its general fund an amount not to exceed 1 percent of the amount of the Special District Augmentation Fund to pay only the costs of the following:

(A) Expenses incurred by special districts in the event of an emergency. As used in this subparagraph, "emergency" has the same meaning as it does in Section 21060.3 of the Public Resources Code.

(B) To carry out the purposes of the California Special District Consolidation Assistance Program established pursuant to Chapter 9.5 (commencing with Section 60350) of Division 2 of Title 6 of the Government Code.

(e) Notwithstanding paragraphs (1), (2), and (3) of subdivision (b), the governing body may reduce the allocation to a district which collected those assessments, charges, or special taxes:

(1) To an amount which is generated by that district pursuant to paragraph (2) of subdivision (a).

(2) As a result of an emergency resolution adopted pursuant to Section 29127 of the Government Code.

(f) The county auditor shall disburse funds to the special district in the same manner as disbursements which are made from the county treasurers property tax trust fund.

(g) Disbursements to cities with more than one subsidiary special district may be made to the city. Each city shall distribute these funds to their individual subsidiary special districts in accordance with the city council's final determination.

SEC. 6. Section 100.2 of the Revenue and Taxation Code is amended to read:

100.2. (a) Notwithstanding any other provision of law, the Controller shall reduce the cigarette tax subvention to a local jurisdiction by an amount of excess sales tax computed pursuant to subdivision (b).

(b) (1) Each city, county, and city and county shall estimate in its budget for the next fiscal year the amount of the 1 percent local sales tax to be collected in that fiscal year.

(2) Each city, county, and city and county shall estimate in its budget the amount of the 1 percent local sales tax in the current fiscal year, adjusted for changes in cost of living and population in the jurisdiction. Such adjustment shall be made in the same manner as the change is calculated for the purpose of establishing the appropriations limit pursuant to Article XIII B of the Constitution.

(3) The amount, if any, by which the amount estimated pursuant to paragraph (1) exceeds the amount estimated pursuant to paragraph (2) shall be identified in the budget.

(4) From the amount identified in the budget pursuant to paragraph (3), the jurisdiction shall subtract any amount necessary to bring the jurisdiction up to the appropriations limit provided in the Constitution, prior to the reduction of any proceeds of taxes.

(5) One-half of the remainder shall be identified as "excess sales tax."

(6) Each jurisdiction shall report its estimate of excess sales tax quarterly to the Controller.

(c) The amount withheld by the Controller pursuant to subdivision (a) shall be transferred to the State School Building Lease-Purchase Fund established pursuant to Section 17708 of the Education Code, or its successor, and shall be used solely for the construction of new school buildings for grades K–12.

(d) For the purposes of this section, "jurisdiction" means city, county, or city and county.

(e) The Controller shall make adjustments during the year to adjust the reductions of subventions pursuant to subdivision (a) to correct for estimating errors.

(f) The Controller may adopt rules and regulations to carry out the provisions of this section.

SEC. 7. Section 100.3 of the Revenue and Taxation Code is amended to read:

100.3. (a) Notwithstanding any other provision of law, the Controller shall reduce the cigarette tax subvention to a local jurisdiction by an amount of excess property tax computed pursuant to subdivision (b).

(b) (1) Each city, county, and city and county shall estimate in its budget for the next fiscal year the amount of property tax to be collected in that fiscal year.

(2) Each city, county, and city and county shall estimate in its budget the amount of property tax in the current fiscal year, adjusted for changes in cost of living and population in the jurisdiction. Such adjustment shall be made in the same manner as the change is calculated for the purpose of establishing the appropriations limit pursuant to Article XIII B of the Constitution.

(3) The amount, if any, by which the amount estimated pursuant to paragraph (1) exceeds the amount estimated pursuant to paragraph (2) shall be identified in the budget.

(4) From the amount identified in the budget pursuant to paragraph (3), the jurisdiction shall subtract any amount necessary to bring the jurisdiction up to the appropriations limit provided in the Constitution, prior to the reduction of any proceeds of taxes.

(5) One-fourth of the remainder shall be identified as "excess property tax."

(6) Each jurisdiction shall report its estimate of excess property tax quarterly to the Controller.

(c) The amount withheld by the Controller pursuant to subdivision (a) shall be transferred to the State School Building Lease-Purchase Fund established pursuant to Section 17708 of the

Education Code, or its successor, and shall be used solely for the construction of new school buildings for grades K–12.

(d) For the purposes of this section, "jurisdiction" means city, county, or city and county.

(e) The Controller shall make adjustments during the year to adjust the reductions of subventions pursuant to subdivision (a) to correct for estimating errors.

(f) The Controller may adopt rules and regulations to carry out the provisions of this section.

SEC. 8. Section 100.4 of the Revenue and Taxation Code is repealed.

SEC. 9. Chapter 8 (commencing with Section 100.5) of Part 0.5 of Division 1 of the Revenue and Taxation Code is repealed.

SEC. 10. Section 11005 of the Revenue and Taxation Code is amended to read:

11005. (a) After payment of refunds therefrom and after making the deductions authorized by Section 11003 and reserving such amount as is determined by the Pooled Money Investment Board to be necessary to meet the transfers ordered or proposed to be ordered pursuant to Section 16310 of the Government Code, 81.25 percent of the balance of all motor vehicle license fees and any other money appropriated by law for expenditure pursuant to this section and deposited to the credit of the Motor Vehicle License Fee Account in the Transportation Tax Fund and remaining unexpended therein at the close of business on the last day of the calendar month shall be allocated by the Controller by the 10th day of the following month in the manner provided by subdivisions (c) and (d).

(b) Eighteen and three-quarters percent of the balance shall be allocated as follows:

(1) In July of each fiscal year, the Controller shall allocate to each city that existed but did not levy a property tax in the 1977–78 fiscal year, other than for voter-approved indebtedness, an amount equal to the total amount which each of those cities would have received in that fiscal year pursuant to Section 25761 of the Business and Professions Code, Section 4306 of the Public Utilities Code, and Section 26483 of the Revenue and Taxation Code, as if those sections were operative in that fiscal year in the form in which they existed on June 1, 1981. For the 1985–86 fiscal year and each fiscal year thereafter, the Controller shall increase the amount for each city computed pursuant to this paragraph by the percent by which the revenue to the Motor Vehicle License Fee Account increased over the revenue for the previous fiscal year.

(2) Each month the Controller shall allocate the remainder of the amount determined pursuant to this subdivision to counties and cities and counties, as follows: an amount for each county and city and county equal to the revenue received in the 1982–83 fiscal year pursuant to Sections 16111, 16113(c), and 16113.7 of the Government Code. These amounts shall be determined by the Controller with the concurrence of the Director of Finance. The Controller shall allocate

any remaining amount determined pursuant to this subdivision to counties and cities and counties in the proportion that the population of each county or city and county bears to the total population of all the counties and cities and counties of the state, as determined pursuant to subdivision (d).

(c) Fifty percent thereof of the payments required by subdivision (a) shall be paid to the cities and cities and counties of this state in the proportion that the population of each city or city and county bears to the total population of all cities and cities and counties in this state, as determined by the population research unit of the Department of Finance. For the purpose of this subdivision, the population of each city or city and county is that determined by the last federal decennial or special census, or a subsequent census validated by the population research unit of the Department of Finance or subsequent estimate prepared pursuant to Section 2107.2 of the Streets and Highways Code. In the case of a city incorporated subsequent to the last federal census, or census validated by the population research unit of the Department of Finance, or in the case of an inhabited unincorporated territory being annexed to a city subsequent to the last federal census, or a subsequent census validated by the population research unit of the Department of Finance, the Controller shall ascertain the population of the city, or the annexed territory, by multiplying the number of registered electors therein by three. In the case of uninhabited unincorporated territory being annexed to a city subsequent to the last federal census, or a subsequent census validated by the population research unit of the Department of Finance, the Controller shall ascertain the population of the annexed territory by the use of any federal decennial or special census, or estimate prepared pursuant to Section 2107.2 of the Streets and Highways Code, or, if no such other estimate or census was made, by multiplying the number of registered electors therein by three two years after the completion of annexation proceedings or at such earlier time as the legislative body may request. In the case of the consolidation of one city with another subsequent to the last federal census, or a subsequent census validated by the population research unit of the Department of Finance, the population of the consolidated city, for the purpose of this subdivision, is the aggregate population of the respective cities as determined by the last federal census, or a subsequent census or estimate validated by the population research unit of the Department of Finance.

(d) Fifty percent of the payments required by subdivision (a) shall be paid to the counties and cities and counties of the state in the proportion that the population of each county or city and county bears to the total population of all the counties and cities and counties of the state, as determined by the population research unit of the Department of Finance. For the purpose of this subdivision, the population of each county or city and county is that determined by the last federal census, or subsequent census validated by the

population research unit of the Department of Finance, or as determined by Section 11005.6.

(e) Money disbursed by the Controller to cities and counties pursuant to this section may be used for county or city purposes and may, but need not necessarily, be used for purposes of general interest and benefit to the state.

Population changes based on a federal special census or a subsequent census validated by the Department of Finance shall be accepted by the Controller only if certified to him at the request of the city, city and county, or county for which the census was made and shall become effective on the first day of the month following receipt of such certification.

SEC. 11. Section 11005.7 of the Revenue and Taxation Code is repealed.

SEC. 12. Section 11005.75 of the Revenue and Taxation Code is repealed.

SEC. 13. Section 11005.8 of the Revenue and Taxation Code is repealed.

SEC. 14. Section 11005.85 of the Revenue and Taxation Code is repealed.

SEC. 15. Section 11005.86 of the Revenue and Taxation Code is repealed.

SEC. 16. The Legislature finds and declares that it is necessary to examine the fiscal and programmatic relationships and responsibilities between the state and counties as they involve funding and program delivery of partnership programs.

Further, it is the intent of the Legislature that there be an examination of options for financing countywide services and that authority be provided for counties to generate local revenues to respond to local needs.

Finally, it is the intent of the Legislature, during the 1984 interim study recess, to study and review alternative recommendations for the purpose of developing, by January 1, 1985, legislation to implement necessary reforms.

SEC. 17. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act.

SEC. 18. Notwithstanding Section 2231.5 of the Revenue and Taxation Code, this act does not contain a repealer, as required by that section; therefore, the provisions of this act shall remain in effect unless and until they are amended or repealed by a later enacted act.

SEC. 19. (a) Except as provided in subdivision (b), the provisions of this act shall become operative on July 1, 1984.

(b) The provisions of this act shall not become operative unless and until Senate Bill 794 of the 1983–84 Regular Session is chaptered.

SEC. 20. This act is an urgency statute necessary for the

immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that this act, which would make statutory changes necessary to provide for local government financing during the 1984–85 fiscal year, may take effect before the commencement of the 1984–85 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 449

An act to amend Sections 14010, 14020, 14021, 14023, 14023.5, 14035.5, 14085, 14125, and 14127 of, and to amend the heading of Part 5 (commencing with Section 14000) of Division 3 of Title 1 of, the Corporations Code, to amend Section 504 of the Food and Agricultural Code, to amend Sections 11552, 13975, 14998.2, 14999.11, 15310, 15311, 15320, 15321, 15325, 15327, 15330, 15331, 15332, 15333, 15341, 15350, 15360, 15361, 15362, 15363, 15364.6, 15364.7, 15367, 15372, 15382, 15384, and 91550 of, and to amend the heading of Chapter 1 (commencing with Section 15310) of Part 6.7 of Division 3 of Title 2 of, the Government Code, to amend Section 2802 of the Penal Code, to amend Sections 9951, 9953, 9954, 9956, 9957, 10205, 10213.5, 12112, and 12151 of the Unemployment Insurance Code, and to amend Section 3 of Chapter 1074 of the Statutes of 1982, relating to economic and business development, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The heading of Part 5 (commencing with Section 14000) of Division 3 of Title 1 of the Corporations Code is amended to read:

PART 5. OFFICE OF SMALL BUSINESS

SEC. 2. Section 14010 of the Corporations Code is amended to read:

14010. Unless the context otherwise requires, the definitions in this section govern the construction of this part.

(a) "Corporation" or "the corporation" means any nonprofit California small business development corporation created pursuant to the provisions of this part.

(b) "Financial institution" means banking organizations including national banking associations and state-chartered commercial banks and trust companies; savings and loan associations;

state insurance companies; mutual insurance companies; and other banking, loaning, retirement, and insurance organizations.

(c) "Economically disadvantaged area" means the area or areas within the region of a corporation consisting of those contiguous census tracts within urbanized areas as defined by the most recent federal decennial census, in which 20 percent or more of the families were reported by the most recent federal decennial census to have an annual income of less than the poverty level established by the Bureau of the Census, or comparable areas which because of technical factors, cannot be isolated by census tracts. The definition set forth in this subdivision shall be reviewed periodically and the board shall recommend necessary changes to the Legislature and the Governor.

(d) "Area of high youth unemployment and high youth delinquency" shall be defined by the board.

(e) "Region" means an area containing a population of not less than 500,000 and including within its boundaries one or more economically disadvantaged areas, and in which members of a corporation conduct normal business operations.

(f) Unless otherwise defined by the board, "small business" means a business defined as an eligible small business as set forth in Section 121.3-10 of Part 121, Chapter 1, Title 13 of the Code of Federal Regulations, and including those businesses organized for agricultural purposes.

(g) "Employment incentive loan" means a loan for the purpose of attracting new business to, or expanding an existing business, which over the period of the loan will result in the new or continued employment of at least 15 persons who are either persons residing in economically disadvantaged areas or youths residing in areas of high youth unemployment and high youth delinquency.

(h) "Member" means any organization, individual, financial institution, nonprofit organization or other business authorized to operate within this state which undertakes to make resources available to a corporation in accordance with the provisions of this chapter.

(i) "Resources" means monetary contributions, donation of consultants, personnel, facilities, equipment, loan services, and other items or services as defined by the corporation.

(j) "Loan committee" means a committee appointed by the board of directors of a corporation to determine the course of action on every loan application pursuant to Article 7.5 (commencing with Section 14066).

(k) "Membership agreement" means an agreement between a corporation and any individual, financial institution, nonprofit organization, or other business under which agreement such individual, financial institution, nonprofit organization, or other business agrees to make available or contribute resources to the corporation in accordance with the provisions of Article 8 (commencing with Section 14075).

(*l*) "Board of directors" means the board of directors of the corporation.

(m) " OSB" means the Office of Small Business.

(n) "Board" means the Small Business Development Board.

(o) "Department" means the Department of Commerce.

(p) "Executive director" means the Executive Director of the Office of Small Business.

(q) "UDC" means an urban development corporation.

(r) "RDC" means a rural development corporation.

(s) "Director" means the Director of Commerce.

SEC. 3. Section 14020 of the Corporations Code is amended to read:

14020. There is in the Business, Transportation, and Housing Agency, in the Department of Commerce, a Small Business Development Board.

SEC. 4. Section 14021 of the Corporations Code is amended to read:

14021. The board consists of the following membership:

Superintendent of Banks or his or her designee.

Director of Commerce or his or her designee.

Director of the Department of Food and Agriculture or his or her designee. Director of Employment Development Department or his or her designee.

Nine members appointed by the Governor, including:

Two persons residing in economically disadvantaged areas who are actively engaged in providing leadership and assistance for persons residing in these areas; one each from an urban and rural area.

Two persons to be recommended by the financial institutions participating in the program as of January 1 of each year.

Two persons actively engaged in a commercial, agricultural, or industrial business and who are members of a small, agricultural, minority or women's business association.

One person who is an officer of an urban labor organization.

One person experienced in financial matters or actively engaged in the banking, savings and loan or insurance business.

Two Members of the Legislature or their designees, one of whom shall be appointed by the Speaker of the Assembly, and one by the Senate Rules Committee, shall advise with the board insofar as it does not conflict with the duties of the legislators. For purposes of this part, such two Members of the Legislature shall constitute a joint interim legislative committee on the subject of this part and shall have all the powers and duties imposed upon such committees by the Joint Rules of the Senate and Assembly.

Two persons actively involved in the business or agricultural community, one to be appointed by the Speaker of the Assembly, and one by the Senate Rules Committee, each of whom shall serve for a term of one year, subject to removal at the pleasure of the appointing authority.

One person from each small business development corporation,

who shall be selected by the board of directors or members of each corporation in accordance with its bylaws, each of whom shall serve as nonvoting members of the board.

SEC. 5. Section 14023 of the Corporations Code is amended to read:

14023. The Governor may appoint, upon the recommendation of the director of the department, the executive director of the office. Such a recommendation must be selected from a list of three candidates submitted by the board. The executive director of the office shall receive a salary as shall be fixed by the director of the department with the approval of the Department of Finance. The executive director shall be in charge of the Office of Small Business under the direction of the director of the department, consistent with duties as set forth in this part. The executive director may be dismissed by the director of the department after consideration by the board and a recommendation thereof is submitted to the secretary. Finalization of such action is subject to approval by the Secretary of Business and Transportation Agency. Board approval of such action is not required. The executive director shall:

(a) Administer this part.

(b) In accordance with program resources, stimulate the formation of urban and rural development corporations and the use of branch offices for the purpose of making this program accessible to all disadvantaged areas of the state.

(c) After consideration by the board, approve or disapprove the articles of incorporation and any subsequent amendments to the articles of incorporation expeditiously.

(d) Require each small business development corporation to submit a written plan of operation in such form and containing such information as the board may require by regulation or otherwise. Every plan submitted shall provide for conversion to a UDC or RDC within six months.

(e) Review reports from the State Banking Department and inform regional corporations as to what corrective action is required.

(f) Examine, or cause to be examined, at any reasonable time all books, records, and documents of every kind, and the physical properties of a corporation. The inspection shall include the right to make copies, extracts, and search records.

SEC. 6. Section 14023.5 of the Corporations Code is amended to read:

14023.5. The executive director, following notification to the director, may:

(a) Upon approval by the board, contract for services.

(b) Hold public hearings.

(c) Act as liaison between corporations formed under this part, other state and federal agencies, lenders, and the Legislature.

(d) Process and tabulate on a monthly basis all regional reports.

(e) Attend monthly board meetings.

(f) Attend and participate quarterly at corporation meetings.

(g) Assist corporations in applying for local revenue sharing funds and for federal grant applications, and in obtaining program support from the business community.

(h) Appoint such advisory groups as may be necessary to carry out his or her powers and duties.

(i) Call upon and reimburse for services any state agency or department for assistance in carrying out the Office of Small Business objectives.

(j) Participate with government or private industry in programs for technical assistance, loans, technology transfer or any other programs related to this part.

(k) Exercise such other powers as may be necessary to carry out the purposes of this part.

SEC. 7. Section 14035.5 of the Corporations Code is amended to read:

14035.5. Each small business development corporation shall have provisions establishing a grievance procedure for employees, clients, or potential clients, to appeal a decision or obtain redress of an action done by the staff or loan committee of the corporation. If a client or potential client is dissatisfied with the decision under that procedure, the matter may be submitted to and decided by OSB, in accordance with rules and procedures established by it.

SEC. 8. Section 14085 of the Corporations Code is amended to read:

14085. The costs incurred by a corporation in the creation and maintenance of a central staff shall be paid to the corporation from state funds allocated to the California Office of Small Business for these purposes.

SEC. 9. Section 14125 of the Corportions Code is amended to read:

14125. (a) Within 30 days after the effective date of this article each of the small business development corporations operating as of June 30, 1979, with urban business lending experience and the small business development corporation operating as of June 30, 1979, with agricultural lending experience shall designate itself as an urban development corporation or a rural development corporation. In the event that such a regional corporation declines to be an urban development corporation or rural development corporation, the board may authorize the establishment of a new regional corporation which will become an urban development corporation or rural development corporation within six months of such designation. To qualify for consideration as a regional corporation, an organization must have had a minimum of two years' experience in small business finance, management, and technical assistance. Regional corporations operating as of June 30, 1979, which decline to become urban development corporations or rural development corporations shall become ineligible to receive further state funds pursuant to this chapter six months after the decision.

(b) The regional corporations designated as urban development

corporations or rural development corporations shall within a reasonable period of time take action to amend their articles of incorporation and bylaws to conform to the provisions of this article.

(c) No later than March 1, 1980, or 30 days after designation as an urban development corporation or rural development corporation whichever is sooner the urban development corporations and rural development corporations shall submit to the board a plan for an urban or rural development program which is independent of state funding pursuant to this chapter within four years. The board shall notify the urban development corporation or rural development corporation of its acceptance or rejection for cause of the plan within 60 days of submission. Upon acceptance by the board, the plan shall be the basis for all the urban development corporations' or rural development corporations' funding pursuant to this chapter. Until the plan is accepted by the board the urban development corporation or rural development corporation designee shall continue to operate as a regional corporation as defined in Articles 1 through 13 of Chapter 1.

(d) The state, through the Office of Small Business, shall continue to have jurisdiction and to exercise supervision over urban development corporations and rural development corporations which have achieved independence from state administrative funding. The state shall have the right to review and approve the activities and expenditure of funds of those urban development corporations and rural development corporations to ensure conformity with the provisions and intent of the Small Business Corporation Law and the regulations thereof. The use of state funds paid out to the corporation loan guarantee fund and the return on those funds from investment pursuant to Section 14044 is conditional pursuant to Sections 14025 and 14044.1. Each corporation shall enter into a written signed agreement with the state at the beginning of each fiscal year. The agreement shall govern the activities in which the corporations engage, the investment of state funds and its return, and the budgeted administrative expenses the corporations may incur. In the event the state and corporation do not reach an agreement, or the state finds the corporation has violated the terms of an active agreement, the state may take action under Sections 14025 and 14044.1 or other action as appropriate.

SEC. 10. Section 14127 of the Corporations Code is amended to read:

14127. (a) The urban development corporations and rural development corporations shall report to the Executive Director of the Office of Small Business, or his or her designated representative, all statistical and quarterly reports required by this part, responses to audit reports, budget requirements, and invoices submitted for payment by the state.

SEC. 11. Section 504 of the Food and Agricultural Code is amended to read:

504. The technical aspects of the applications for loans shall be

evaluated by the department, the University of California, the State Energy Resources Conservation and Development Commission, and the Solid Waste Management Board.

The financial aspects of the applications for loans shall be evaluated by the department and the Department of Commerce.

SEC. 12. Section 11552 of the Government Code is amended to read:

11552. Effective July 1, 1984, an annual salary of sixty-eight thousand dollars ($68,000) shall be paid to each of the following:

(a) Superintendent of Banks.
(b) Commissioner of Corporations.
(c) Insurance Commissioner.
(d) Director of Transportation.
(e) Real Estate Commissioner.
(f) Savings and Loan Commissioner.
(g) Director of Social Services.
(h) Director of Water Resources.
(i) Director of Corrections.
(j) Director of General Services.
(k) Director of Motor Vehicles.
(*l*) Director of the Youth Authority.
(m) Executive Officer of the Franchise Tax Board.
(n) Director of Employment Development.
(o) Director of Alcoholic Beverage Control.
(p) Director of Housing and Community Development.
(q) Director of Alcohol and Drug Abuse.
(r) Director of the Office of Statewide Health Planning and Development.
(s) Director of the Department of Personnel Administration.
(t) Chairperson and Member of the Board of Equalization.
(u) Director of Commerce.
(v) State Director of Health Services.
(w) Director of Mental Health.
(x) Director of Developmental Services.
(y) State Public Defender.

On July 1, the annual compensation provided by this section shall be increased in any fiscal year in which a cost-of-living increase is provided for state employees. The amount of the increase provided by this section shall be determined by multiplying the then current compensation by the percentage of the general cost-of-living salary increases provided for state employees during that fiscal year.

SEC. 13. Section 13975 of the Government Code is amended to read:

13975. The Business and Transportation Agency in state government is hereby renamed the Business, Transportation and Housing Agency. The agency consists of the Department of Alcoholic Beverage Control, the Department of the California Highway Patrol, the Department of Corporations, the Department of Commerce, the Department of Housing and Community Development, the

Department of Insurance, the Department of Motor Vehicles, the Department of Real Estate, the Department of Savings and Loan, the Department of Transportation, the State Banking Department, the Stephen P. Teale Consolidated Data Center; and the California Housing Finance Agency is also located within the Business, Transportation and Housing Agency, as specified in Division 31 (commencing with Section 50000) of the Health and Safety Code.

SEC. 14. Section 14998.2 of the Government Code is amended to read:

14998.2. There is in the state government the Motion Picture Council consisting of 17 members. The Governor shall appoint 11 members, the Senate Rules Committee shall appoint three members and the Speaker of the Assembly shall appoint three members. The members of the council appointed by the Governor may include representatives of state and local government, motion picture development companies, employee and professional organizations composed of persons employed in the motion picture industry, and other appropriate members of this or related industries. The Motion Picture Council shall work to encourage motion picture and television filming in California and shall exercise the powers provided in this section of the code and elsewhere in the Government Code. In addition to other duties provided by law, the Motion Picture Council shall also make recommendations to the Department of Commerce and the agencies of state government on legislative or administrative actions that may be necessary or helpful to maintain and improve the position of the state's motion picture industry in the national and world market.

One of the members appointed by the Senate Rules Committee shall be a Senator and one of the members appointed by the Speaker shall be a member of the Assembly at the time of appointment. Such persons shall be appointed for terms of four years.

Each legislator shall serve a term of four years. The 11 members appointed by the Governor shall serve staggered terms of four years each. Each term shall commence on January 1 and shall expire four years subsequent to the expiration date of the prior term.

SEC. 15. Section 14999.11 of the Government Code is amended to read:

14999.11. The commission shall assist the Department of Commerce in preparing, pursuant to Section 15339, a 10-year plan for the improvement and development of the economy of the state.

SEC. 16. The heading of Chapter 1 (commencing with Section 15310) of Part 6.7 of Division 3 of Title 2 of the Government Code is amended to read:

CHAPTER 1. DEPARTMENT OF COMMERCE

SEC. 17. Section 15310 of the Government Code is amended to read:

15310. It is hereby declared to be the finding of the Legislature

that the economic well-being and continuing development of the State of California require affirmative action in the creation of the Department of Commerce.

This finding is based on the demonstrated need for a state agency to make continuing studies of the proper orderly growth of industry and economic development in this state to balance the need for environmental protection with the need for job opportunities.

This finding is also based on the need to provide information and service for visitors to California. This industry is a major employer, providing employment for large numbers of ethnic minorities and relatively unskilled workers, sectors of the work force that are particularly susceptible to unemployment during adverse economic conditions.

There is also a need for an office to serve as a clearinghouse for state interests in international trade, answering inquiries for foreign business representatives and providing a directory of California businesses and organizations interested in foreign trade.

SEC. 18. Section 15311 of the Government Code is amended to read:

15311. It is the intent of the Legislature that the Department of Commerce be the primary state agency responsible for promoting economic development in the state, providing service to visitors to this state and to California and foreign businessmen active in international trade. In creating this agency the primary thrust of promoting and encouraging new industry within the state and the expansion of existing industry shall be carried on by existing private and public agencies.

The department shall not duplicate the work of existing agencies, but shall supplement the work of existing agencies and provide the coordination of state economic development programs and the preparation and dissemination of the necessary data and supporting studies of the economic potential of various industries necessary for the realization of the full economic potential of the state. Maximum use shall be made of data and analyses prepared by other state agencies.

SEC. 19. Section 15320 of the Government Code is amended to read:

15320. There is in state government, in the Business, Transportation and Housing Agency, the Department of Commerce.

SEC. 20. Section 15321 of the Government Code is amended to read:

15321. The department shall be conducted under the control of an executive officer known as the Director of Commerce, who shall be appointed by the Governor, subject to confirmation by the Senate, and hold office at the pleasure of the Governor. The director shall receive the salary provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2. The Director of Commerce shall be a well qualified and experienced practitioner in the field of economic development.

SEC. 21. Section 15325 of the Government Code is amended to read:

15325. The work of the department shall be divided into the following four offices:

(a) The Office of Economic Research.

(b) The Office of Local Development.

(c) The Office of Business Development.

(d) The Office of Tourism.

SEC. 22. Section 15327 of the Government Code is amended to read:

15327. In order to carry out the provisions of this chapter, there is hereby created in the State Treasury the California Economic Development Grant and Loan Fund.

The California Economic Development Grant and Loan Fund is created only for the purpose of (a) receiving federal, state, and local money for subsequent allocation by the department in the form of grants or loans to public and private agencies pursuant to P.L. 89-136, Section 304 of the Public Works and Economic Development Act of 1965, as amended; and (b) receiving repayments of loans or grants and interest on those loans or grants for subsequent reallocation as grants or loans without regard to a federal matching share so long as the proceeds are used for economic development in a manner consistent with P.L. 89-136, Section 304. These conditions shall apply retroactively to all federal, state, and local moneys, including interest received by, allocated by, and returned to the Department of Commerce under the Section 304 program since its inception in 1975.

State funds allocated to the fund in excess of the actual 25 percent needed to match the federal funds, pursuant to P.L. 89-136, Section 304, shall be available for economic development grants or loans, or both, without regard to a federal matching share.

All money deposited in the California Economic Development Grant and Loan Fund shall remain available, as is continuously appropriated, until expended or obligated without regard to fiscal year for purposes of this chapter.

At the request of the director, the Treasurer shall invest existing moneys in the fund pursuant to Sections 16470 through 16475 and to the extent and under the conditions specified by present law.

The department may advance to the recipient up to 50 percent of the state's share of any loan or grant awarded once final approvals have been made by the state and federal government.

SEC. 23. Section 15330 of the Government Code is amended to read:

15330. The Department of Commerce shall be the principal state agency responsible for:

(a) Coordinating federal-state-local relationships in economic development, the continual evaluation of the impact of policies and programs affecting economic development, and encouraging the full utilization of programs available for assisting the residents of the state and local public entities in satisfying the economic

development needs of the state.

(b) Applying for and allocating federal funds available under the Public Works and Economic Development Act of 1965, as amended, and such other federal funds as may be available which will promote and assist economic development in the state.

(c) Assisting state agencies, offices, and departments to implement the state economic policy pursuant to Part 12 (commencing with Section 15900) of Division 3 of Title 2 and serving as an advisory agency to the Governor in the preparation of the Economic Report of the Governor as required by Section 15901.

(d) Responding to inquiries and providing statistics and other information on the economy, visitor attractions, and international trade, products and processes.

(e) The department in carrying out its responsibilities shall make maximum use of base data and studies currently being prepared and distributed by other state agencies. It shall avoid duplication of these efforts where possible.

(f) Assisting employees of a business or place of work in the formation of an employee-owned corporation, as defined by Section 91502.1, at that business or place of work, at the request of the employees and when that business or place of work is closing or is in danger of closing, by providing technical assistance, information, or access to sources of financing. The responsibilities created by this subdivision shall be permissive in the absence of nonstate funds unless state funds are specifically authorized by the Legislature for the purposes of this subdivision.

SEC. 24. Section 15331 of the Government Code is amended to read:

15331. The Office of Economic Research shall perform the following functions and activities:

(a) Gather, analyze, and interpret pertinent information on the economy developed by itself, other governmental and private agencies and publish and disseminate statistics and other information useful to industry, commerce, and agriculture. A fee may be charged for such publications to cover the cost of publication and dissemination.

(b) Provide assistance to other state agencies in the development of information or other pertinent data on the economy and the economic development of the state.

(c) Prepare or sponsor studies on the economic potential of various types of business, commercial, or industrial development in improving the economy of the state, the creation of job opportunities and the effect on resources and environment of the state.

(d) Study, recommend, and report to the director on the impact of governmental policies and regulations and the expected impact of proposed policies and regulations which do or may unduly restrict beneficial economic development.

(e) Respond to inquiries by persons in industry, business, commerce, or other governmental units concerning the economy

and economic conditions in the state.

SEC. 25. Section 15332 of the Government Code is amended to read:

15332. The Office of Local Development shall perform the following functions and activities:

(a) Provide comprehensive technical assistance to local public agencies and other entities in order to facilitate the planning and implementation of local economic development projects.

(b) Cooperate with state and federal agencies in making grants or loans to individuals, proprietorships, partnerships, profit and nonprofit corporations, employee-owned corporations, as defined by Section 91502.1, or local public agencies for the purpose of establishing or expanding local economic development projects which will increase employment opportunities.

(c) Assist in preparing state and local economic plans for the purpose of coordinating statewide economic development.

SEC. 26. Section 15333 of the Government Code is amended to read:

15333. The Office of Business Development shall perform the following functions and activities:

(a) Represent the Secretary of the Business and Transportation Agency in establishing clear lines of communication with California business.

(b) Advise the director on the problems and concerns of the business community, particularly those unique to California's small businesses.

(c) Review recommendations from the business community and advise the director on proposals affecting business conditions in California.

(d) Act as liaison between the business community and all departments of state government on issues affecting business development and insure that the findings and recommendations of each department are reported to the director.

(e) Cooperate with public and private agencies engaged in promoting and encouraging the location and development of new businesses in the state as well as the maintaining and expanding of existing businesses.

(f) Aid business concerns in their relationships with appropriate federal and state agencies such as procurement and lending agencies and the Small Business Administration.

SEC. 27. Section 15341 of the Government Code is amended to read:

15341. There is hereby established in state government the California Economic Adjustment Team, which shall consist of six members. The members are the Director of Commerce, who shall serve as chairperson, the Director of the Employment Development Department, the Director of the Department of Industrial Relations, the Director of the Office of Planning and Research, the State Superintendent of Public Instruction, and the Chancellor of the

California Community Colleges.

SEC. 28. Section 15360 of the Government Code is amended to read:

15360. The Economic Development Unit in the Department of Housing and Community Development and all its powers, duties, responsibilities, purposes, and jurisdiction are hereby transferred to the Department of Commerce and shall become the Office of Local Development.

SEC. 29. Section 15361 of the Government Code is amended to read:

15361. The Department of Commerce shall have the possession and control and may use the unexpended balances of funds, moneys, and appropriations available for use or administered by the Economic Development Unit in the Department of Housing and Community Development. Such funds, moneys, and appropriations shall be used by the department only for the purposes for which they were originally made available to the Economic Development Unit.

SEC. 30. Section 15362 of the Government Code is amended to read:

15362. The Department of Commerce shall have the possession and control of all equipment, supplies, records, papers, contracts, and other documents held for the benefit or use of the Economic Development Unit in the Department of Housing and Community Development.

SEC. 31. Section 15363 of the Government Code is amended to read:

15363. All officers of the Economic Development Unit in the Department of Housing and Community Development who, on the operative date of this section, are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function transferred to or vested in the Department of Commerce by Section 15360 shall be transferred to the Department of Commerce. The status, positions, and rights of such persons shall not be affected by the transfer, and shall be retained by them as officers of the Department of Commerce pursuant to the State Civil Service Act, except as to positions exempt from civil service in the Economic Development Unit.

SEC. 32. Section 15350 of the Government Code is amended to read:

15350. An advisory council not to exceed 21 persons shall be created to advise the Director of Commerce in carrying out the functions of the department. One member of the council shall be appointed by the chairman of the Commission for Economic Development. The other members of the advisory council shall be appointed by the Governor upon the nomination of the director. The terms of any members appointed prior to January 1, 1981, shall expire on that date, and thereafter, the terms of all future appointees shall expire two years after the expiration date of the previous appointment to that position. The chairman of the advisory council

shall be designated by the Governor from the members appointed by him or her.

SEC. 33. Section 15364.6 of the Government Code is amended to read:

15364.6. (a) In order to assist the commission in representing the diverse nature of California's culture and economy, and its business, tourism, and agricultural communities, an advisory council is hereby created to provide independent advice and counsel.

(b) The membership of the advisory council shall be no less than 20 members, nor more than 40 members. The advisory council shall be appointed within 120 days of the effective date of this chapter.

(c) The membership of the advisory council shall consist of the following:

(1) The Director of Commerce.

(2) The Director of the Department of Food and Agriculture.

(3) Two Assembly appointees of the Speaker of the Assembly.

(4) Two Senate appointees of the Senate President pro Tempore.

(d) The remainder of the advisory council appointments shall be made by the commission and shall represent the following areas of interest:

(1) Agriculture.

(2) Banking and financial services.

(3) International consulting, construction, engineering and trade.

(4) Tourism.

(5) Manufacturing and retailing.

(6) Foreign trade zones and trade associations.

(7) Entertainment.

(8) Housing and real estate.

(9) Education.

(10) Labor.

(11) Transportation and ports.

(12) Small businesses.

(13) Other entities as deemed appropriate.

(e) At the direction of the commission, the advisory council shall do the following:

(1) Form committees to assist the commission in areas which may include, but are not limited to, international trade, reverse investment, and international tourism.

(2) Aid and assist the commission in securing funds to enhance and maintain the activities of the commission.

(3) Aid and assist the commission in greeting foreign representatives.

(4) Participate in foreign missions.

SEC. 34. Section 15364.7 of the Government Code is amended to read:

15364.7. Effective January 1, 1983, the commission may request the Department of Commerce to provide support services to help establish the California State World Trade Commission.

SEC. 35. Section 15367 of the Government Code is amended to

read:

15367. The Department of Commerce shall compile a comprehensive listing of all state licenses, permits, and registrations required of any person desiring to operate a business enterprise in California, except permits for a development project as defined in Section 65928.

The department shall categorize the required permits, licenses, and registrations into a comprehensive handbook that is readily available to persons interested in establishing a business enterprise.

The handbook shall be as comprehensive as is practical and effective in order to provide a broad service to California citizens seeking to create or operate an enterprise which must comply with the wide range of California license, permit, and registration requirements, except in regard to permits for development projects as provided in Section 15367. To the extent possible, the handbook shall indicate state licenses, permits, or registrations required of a person interested in establishing an enterprise according to the type of enterprise.

The following information shall be indicated regarding each agency appearing in the handbook: the name of the agency; the address to which license, permit, or registration materials should be sent; and the phone number of the agency.

The handbook provided for in this section shall be completed by the department and in use no later than July 1, 1980, and shall be updated by the department to assure that the information provided reflects current requirements. The department shall make the handbook available to public libraries, educational institutions, and the state and local agencies listed in the handbook.

The department shall adopt the format for the handbook that it deems most appropriate to comply with the provisions of this chapter.

The department shall charge a fee to cover the actual costs of publication and distribution of the handbook.

SEC. 36. Section 15372 of the Government Code is amended to read:

15372. All state agencies shall cooperate with the Department of Commerce in the compilation of license, permit, and registration requirements, and shall respond to requests by the department for information in a timely manner.

SEC. 37. Section 15382 of the Government Code is amended to read:

15382. For the purposes of this chapter:

(a) "SBDC" means a Small Business Development Center as defined by federal Public Law 96-302.

(b) "SBDC plan" means the plan required by the federal Small Business Administration pursuant to federal Public Law 96-302.

(c) "Center" means a Small Business Development Center.

(d) "Lead organization" means the Department of Commerce which is the formal applicant for the Small Business Development

Center program pursuant to federal Public Law 96-302.

SEC. 38. Section 15384 of the Government Code is amended to read:

15384. There is hereby created within the department a Small Business Development Center. The SBDC shall be administered according to the SBDC plan. The department shall develop an SBDC plan for submission to the federal Small Business Administration. The SBDC plan shall be developed by the department with the assistance of the following:

(a) The Office of Small Business within the Department of Commerce.

(b) The Small and Minority Business Procurement Assistance Division of the Department of General Services.

(c) The Employment Development Department.

(d) The Chancellor of the California Community Colleges.

(e) The Chancellor of the California State University.

(f) The President of the University of California.

(g) The California Private Industry Councils.

(h) The chairpersons of the Assembly Select Committee on Small Business, the Senate Select Committee on Small Business Enterprises, the Assembly Committee on Economic Development and New Technologies, and the Joint Committee on the State's Economy.

The department may also solicit assistance from any other private, state, local, or federal entity which assists small businesses.

SEC. 39. Section 91550 of the Government Code is amended to read:

91550. There is in state government the California Industrial Development Financing Advisory Commission, consisting of five members, as follows:

(a) The Treasurer, who shall serve as chairperson.

(b) The Controller.

(c) The Director of Finance.

(d) The Director of Commerce.

(e) The Commissioner of Corporations.

Members of the commission may each designate a deputy or employee in his or her agency to act for him or her at all meetings of the commission. The first meeting shall be convened by the Treasurer.

SEC. 40. Section 2802 of the Penal Code is amended to read:

2802. The authority shall be under the policy direction of a board of directors, to be known as the Prison Industry Board, and to be referred to hereafter as the board. The board shall consist of eleven members:

(a) The Director of Corrections shall be a member.

(b) The Director of the Department of General Services, or his or her designee, shall be a member.

(c) The Director of Commerce, or his or her designee, shall be a member.

(d) The Speaker of the Assembly shall appoint two members to represent the general public.

(e) The Senate Rules Committee shall appoint two members to represent the general public.

(f) The Governor shall appoint four members. Of these, two shall be representatives of organized labor, and two shall be representatives of industry. The initial term of one of the members appointed by the Speaker of the Assembly shall be two years, and the initial term of the other shall be three years. The initial term of one of the members appointed by the Senate Rules Committee shall be two years, and the initial term of the other shall be three years. The initial terms of the four members appointed by the Governor shall be four years. All subsequent terms of all members shall be for four years. Each member's term shall continue until the appointment and qualification of his successor.

SEC. 41. Section 9951 of the Unemployment Insurance Code is amended to read:

9951. (a) The Legislature hereby declares that it is the policy of the State of California to provide occupational transfer and retraining services to displaced workers to prepare them for jobs in demand occupations and thus mitigate the adverse effects of plant closures, mass layoffs, job loss and long-term unemployment.

The Legislature intends that education and training programs undertaken for displaced workers pursuant to this chapter shall build upon existing delivery systems and not unnecessarily duplicate or compete with current vocational courses and existing employment and training programs. Additionally, the Legislature intends that a program for displaced workers shall, to the maximum extent feasible, be undertaken through coordination and efficient utilization of existing federal and state financial resources.

(b) The Employment Development Department, working in concert with the State Department of Education, the Chancellor's Office of the California Community Colleges, the Department of Commerce, and the State Department of Industrial Relations shall assist and encourage local educational and training agencies, city and county governments, employee organizations, employers, and other applicable entities to participate in and coordinate their activities to achieve these purposes.

SEC. 42. Section 9953 of the Unemployment Insurance Code is amended to read:

9953. Contingent upon funding in the 1982 Budget Act, the Employment Development Department shall, in conjunction with the Chancellor's Office of the California Community Colleges, the State Department of Education, the Department of Commerce, and the State Department of Industrial Relations, submit to the policy and fiscal committees of both houses of the Legislature within 90 days of the effective date of the 1982 Budget Act a plan for the implementation of occupational transfer and retraining programs and services for displaced workers to fulfill the provisions of this

chapter. The plan shall designate all of the following:

(a) Responsibilities of state agencies in administering this chapter.

(b) Procedures for coordination between the state and local agencies and existing employment, training, education, and other occupationally related activities and resources in the state.

(c) Procedures to encourage involvement on the part of labor, management, local government, and local education and training agencies in the establishment, operation, and ongoing direction of programs to assist displaced workers.

SEC. 43. Section 9954 of the Unemployment Insurance Code is amended to read:

9954. (a) In order to provide for the implementation of cost-effective occupational transfer and retraining programs and services which are responsive to the immediate needs of displaced workers and which promote reemployment as quickly as possible, the State Board of Education or the Board of Governors of the California Community Colleges, as appropriate, may grant waivers, in whole, in part, or with conditions as deemed appropriate by the waiving authority, from the requirements of the following sections of the Education Code upon the request of a high school, unified, or community college district or the request of a regional occupational center or regional occupational program established pursuant to Section 52301 of the Education Code and upon presentation of evidence by the requesting agency that the section or sections from which a waiver is requested would inhibit the design or implementation of programs or the delivery of services as specified in this chapter:

(1) Sections 46600 and 46617.5 and Article 2 (commencing with Section 78030) of Chapter 1 of Part 48 of the Education Code, which limit interdistrict attendance.

(2) Section 87274 of the Education Code, which restricts the immediate hiring of instructors.

(3) Sections 52517 and 84500.1 of the Education Code, which require districts to offer only those courses which are open to the public.

(4) Sections 46300 and 87295 of the Education Code, which require courses to be taught by teachers holding a valid certification document.

(b) Notwithstanding the provisions of subdivision (a), neither the State Board of Education nor the Board of Governors of the California Community Colleges may grant a waiver, partial waiver, or conditional waiver of the sections of the Education Code specified therein which would result in costs to the state beyond those costs funded by specific appropriations made for the purpose of this chapter.

(c) To accomplish the purposes specified in subdivision (a), the Employment Development Department, the Chancellor's Office of the California Community Colleges, the State Department of Education, the Department of Commerce, and the State

Department of Industrial Relations shall identify existing state and federal statutory provisions and regulations which warrant waiver in order to allow for the design of cost-effective, short-term occupational transfer or retraining programs and services for displaced workers. The implementation plan submitted pursuant to Section 9953 shall include recommendations for seeking and granting of necessary waivers by the appropriate state agencies.

SEC. 44. Section 9956 of the Unemployment Insurance Code is amended to read:

9956. (a) The Employment Development Department shall, in conjunction with the State Department of Education, the Chancellor's Office of the California Community Colleges, the Department of Commerce, and the State Department of Industrial Relations, submit to the Legislature in 1983 and each year thereafter on or before the 1st day of November, an evaluation of the Displaced Worker Education and Training Program established pursuant to this chapter. The evaluation of the effectiveness of this chapter shall rely on readily available data and shall measure the economic and social impact reasonably attributable to this chapter.

(b) The evaluations required pursuant to subdivision (a) shall include reports on programs and services provided and on the progress in implementing the provisions of this chapter. The evaluations shall include recommendations, as deemed appropriate, for facilitating program implementation, including any recommended statutory or regulatory changes at the state or federal levels.

(c) The Employment Development Department shall, in conjunction with the State Department of Education, the Chancellor's Office of the California Community Colleges, and the State Department of Industrial Relations, submit a research design to the Joint Legislative Budget Committee by February 1, 1983, for review and comment of the committee, which describes the proposed scope, procedure, content, and methodology of the evaluation.

SEC. 45. Section 9957 of the Unemployment Insurance Code is amended to read:

9957. (a) The State Department of Education may allocate funds appropriated for the purposes of this chapter on a project basis to districts for specialized training and related services, including vocational English as a second language, in areas of high unemployment due to plant closures and other reductions in force.

(b) If the demand for services provided through programs authorized by this chapter exceeds the amount specified pursuant to Section 9955 and any amount appropriated in the Budget Act for purposes of this chapter, the Employment Development Department shall, in conjunction with the Chancellor's Office of the Community Colleges, the State Department of Education, the Department of Commerce, and the State Department of Industrial Relations, submit a report to the fiscal and policy committees of both

houses of the Legislature recommending alternatives for additional funding. However, nothing in this chapter shall be interpreted as requiring any local education or training agency to provide funding for these programs beyond the amounts specified pursuant to Section 9955 or appropriated in the Budget Act.

SEC. 46. Section 10205 of the Unemployment Insurance Code is amended to read:

10205. The panel shall do all of the following:

(a) Solicit proposals and write contracts on the basis of proposals made directly to it and on the basis of the recommendations of the local review panels. Contracts may be written with any employer or any group of employers acting jointly or any training agency for the purpose of providing employment training. These contracts shall be in the form of fixed-fee performance contracts. Notwithstanding any provision of law to the contrary, contracts entered into pursuant to this chapter shall not be subject to competitive bidding procedures. No trainee shall receive employment training under this chapter for a period of more than 18 months. Contracts for training may be written for a period not to exceed 24 months for the purpose of administration by the panel and the contracting employer or any group of employers acting jointly or any training agency for the purpose of providing employment training.

(b) Allocate the Employment Training Fund. In doing so, the panel shall seek to facilitate the employment of the maximum number of eligible participants in jobs with definite career potential and long-term job security. In no case shall the statewide allocation be based solely on population. Nothing in this chapter shall be construed to preclude the panel from entering into contracts with employers, groups of employers, or training agencies for the provision of training in multijurisdictional areas of the state. In writing contracts, priority shall be given to employers and training for employers who are expanding their business enterprises in this state, to employers and training for employers who are establishing enterprises in areas targeted for economic development by the Department of Commerce, and to employers and training for employers in industries in which there are critical skills shortages. Preference shall be given to apprenticeship and similar training in which a person is employed at the commencement of training.

(c) Establish minimum standards for the consideration of proposals, which shall include, but not be limited to, the identification of employers who will employ successful trainees, the number of jobs available, the skill requirements for the identified jobs, the projected cost per trainee, and the wage level of the available jobs. No proposal shall be considered which proposes training for employment covered by a collective-bargaining agreement unless the signatory labor organization agrees in writing.

(d) Ensure the provision of adequate fiscal and accounting controls for, monitoring and auditing of, and other appropriate technical and administrative assistance to, projects funded by this

chapter.

(e) Provide for evaluation of projects funded by this chapter. Individual project evaluations shall contain a summary description of the project, the number of persons entering training, the number of persons completing training, the number of persons employed at the end of the project, the number of persons still employed three months after the end of the project, the wages paid, the total costs of the project, and the total reimbursement received from the Employment Training Fund.

(f) Report annually to the Legislature, by September 30, on projects operating during the previous state fiscal year. These annual reports shall provide separate summaries of (1) projects completed during the year, including their individual and aggregate performance and cost; and (2) projects not completed during the year, briefly describing each project and identifying approved contract amounts by contract and for this category as a whole. The first annual report is due September 30, 1984.

(g) Expedite the processing of contracts for firms considering locating or expanding businesses in the state, as determined by the Department of Commerce.

SEC. 47. Section 10213.5 of the Unemployment Insurance Code, as amended by Chapter 41 of the Statutes of 1984, is amended to read:

10213.5. (a) The Department of Commerce shall determine those firms considering locating or expanding businesses in the state in order to enable the Employment Training Panel to expedite the processing of contracts for these firms pursuant to subdivision (g) of Section 10205. The Department of Commerce shall also provide technical assistance by marketing the Employment Training Fund to newly locating or expanding businesses in the state and by assisting in the packaging of employer contracts for training of eligible participants from the Employment Training Fund.

(b) The panel and the Department of Commerce shall agree within 60 days of the enactment of this subdivision to a statement of coordination and purpose relating to the mutual assistance to be provided by the panel and the Department of Commerce pursuant to this chapter.

SEC. 48. Section 12112 of the Unemployment Insurance Code is amended to read:

12112. A procedure for applying for grants shall be developed by a panel consisting of the directors of the Employment Development Department, the Department of Industrial Relations, and the Department of Commerce, who shall also make the final decision on the awarding of grants.

SEC. 49. Section 12151 of the Unemployment Insurance Code is amended to read:

12151. It is the intent of the Legislature that the Employment Development Department, with the assistance of the Department of Industrial Relations and the Department of Commerce, seek and apply for funds from the federal government and other potential

sources to implement the program established under this division.

SEC. 50. Section 3 of Chapter 1074 of the Statutes of 1982 is amended to read:

Sec. 3. The Department of Commerce shall discharge its new responsibilities under this act relating to the Employment Training Fund within the existing staff positions authorized for the 1982–83 budget year.

SEC. 51. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to prevent unnecessary expenses which would occur because the newly-named Department of Commerce is moving into a new building, it is necessary for this act to take effect immediately.

CHAPTER 450

An act to amend Section 19849.11 of the Government Code, relating to state officers and employees.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 19849.11 of the Government Code is amended to read:

19849.11. The Department of Personnel Administration, subject to such conditions as it may establish, subject to existing statutes governing health benefits and group term life insurance offered through the Public Employees' Retirement System, and subject to all other applicable provisions of state law, may enter into contracts for the purchase of employee benefits with respect to managerial and confidential employees as defined by subdivisions (e) and (f) of Section 3513, and employees excluded from the definition of state employee in subdivision (c) of Section 3513, and officers or employees of the executive branch of government who are not members of the civil service, and supervisory employees as defined in Section 3522.1. Benefits shall include, but not be limited to, group life insurance, group disability insurance, group automobile liability and physical damage insurance, and homeowners' and renters' insurance.

CHAPTER 451

An act to amend Sections 462, 541, 543, 591.2, 591.3, 591.4, 591.5, 630, 632, 649.1, 649.3, 649.4, 650, 653, 655, 656, 1200.5, and 2628 of, to amend the headings of Article 1 (commencing with Section 630) and Article 2.5 (commencing with Section 649.1) of Chapter 10 of Division 3 of, to add Sections 608.5 and 933 to, and to repeal Section 630.5 of, the Probate Code, relating to probate law and procedure.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 462 of the Probate Code is amended to read:

462. (a) Before letters issue to a special administrator, except to a public administrator, the special administrator shall do both of the following:

(1) Except as provided in subdivision (c), give a bond in such sum as the court or judge may direct, with sureties to the satisfaction of the court or judge, conditioned that the special administrator shall faithfully execute the duties of the trust according to law.

(2) Take the usual oath, and have the same indorsed on the letters.

(b) When the requirements of this section are satisfied, the clerk shall issue special letters of administration to the special administrator.

(c) Subject to Section 543:

(1) Unless the will provides for a requirement of a bond, if a verified petition for special letters of administration alleges that all beneficiaries under the decedent's will, or that all the decedent's heirs if there is no will, have waived the filing of a bond, the court, if the petition so requests, may direct that no bond be filed.

(2) If the will waives the requirement of a bond for the executor and the person named as executor in the will is appointed special administrator, the court shall direct that no bond be filed.

SEC. 2. Section 541 of the Probate Code is amended to read:

541. (a) Except as otherwise provided in this section, every person to whom letters testamentary or of administration are directed to issue (unless the testator has waived such requirement) shall, before receiving them, execute a bond to the State of California, to be approved by a judge of the superior court, conditioned that the executor or administrator shall faithfully execute the duties of the trust according to law. The court in its discretion may fix the amount of the bond at not less than the value of the personal property and the value of the probable annual gross income of all of the property belonging to the estate, or, if the bond is to be given by personal sureties, at not less than twice that amount.

(b) Subject to Section 543, unless the will provides for a requirement of a bond, if a verified petition for letters testamentary

or of administration alleges that all beneficiaries under the decedent's will, or that all the decedent's heirs if there is no will, have waived in writing the filing of a bond and the written waivers are attached to the petition, the court, on the hearing of the petition, if the petition so requests, shall direct that no bond be filed.

SEC. 3. Section 543 of the Probate Code is amended to read:

543. When it is provided in the will that no bond shall be required of the executor, or a petition requests pursuant to Section 462 or 541 that no bond be filed, or the court pursuant to Section 462 or 541 has directed that no bond be filed or that it be filed in a reduced amount or sum, the court, upon its own motion or upon petition of any person interested in the estate, nevertheless, for good cause, may require one to be given or the amount as in other cases thereof increased, either before or at any time after the issuance of letters. If any of the beneficiaries under the decedent's will, or any of the decedent's heirs if there is no will, request a bond, the request in itself is good cause to require a bond in an amount not less than an amount the court determines is sufficient to secure the amount the beneficiary or heir is likely to receive from the decedent's estate.

SEC. 4. Section 591.2 of the Probate Code is amended to read:

591.2. (a) Upon obtaining authority to administer the estate under this article, the executor or administrator shall proceed to administer the estate in the same manner as provided in this code with respect to executors or administrators who have not been granted such authority. However, the executor or administrator is not required to obtain judicial authorization, approval, confirmation, or instructions, which shall be known and referred to in this article as "court supervision", with respect to any actions during the course of the administration of the estate, except that the executor or administrator is required to obtain court supervision, in the manner provided in this code, for any of the following actions:

(1) Allowance of executor's and administrator's commissions and attorney's fees.

(2) Settlement of accountings.

(3) Preliminary and final distributions and discharge.

(b) Notwithstanding subdivision (a), the executor or administrator may obtain court supervision as provided in this code of any action taken by him or her during the administration of the estate. All publications of notice required by this code shall continue to be given except, when no hearing is required because the executor or administrator does not seek court supervision of an action or proposed action, no publication of the notice of hearing is required.

SEC. 5. Section 591.3 of the Probate Code is amended to read:

591.3. (a) Prior to the consummation of any of the actions described in subdivision (b) without court supervision, the executor or administrator to whom authority has been granted to act without court supervision shall advise the persons affected by the proposed action of his or her intention to take such action. The advice, known and referred to in this article as "advice of proposed action," shall be

given to the devisees and legatees whose interest in the estate is affected by the proposed action; to the heirs of the decedent in intestate estates; to the State of California if any portion of the estate is to escheat to it; and to persons who have filed a request for special notice pursuant to Section 1202.

(b) The actions requiring such advice are all of the following:

(1) Selling or exchanging real property.

(2) Granting options to purchase real property.

(3) Selling or exchanging personal property, except for securities sold upon an established stock or bond exchange and other assets referred to in Sections 770 and 771.5 when sold for cash.

(4) Leasing real property for a term in excess of one year.

(5) Entering into any contract, other than a lease of real property, not to be performed within two years.

(6) Continuing for a period of more than six months from the date of appointment of the executor or administrator of an unincorporated business or venture in which the decedent was engaged or which was wholly or partly owned by the decedent at the time of his or her death, or the sale or incorporation of such business.

(7) The first payment, the first payment for a period commencing 12 months after the death of the decedent, and any increase in the payments, of a family allowance.

(8) Investing funds of the estate, except depositing funds in banks and investing in insured savings and loan association accounts, in units of a common trust fund described in Section 585.1, in direct obligations of the United States maturing not later than one year from the date of investment or reinvestment, and in mutual funds which are comprised of (A) those obligations, or (B) repurchase agreements with respect to any obligation, regardless of maturity, in which the fund is authorized to invest.

(9) Completing a contract entered into by the decedent to convey real or personal property.

(10) Borrowing money or executing a mortgage or deed of trust or giving other security.

(11) Determining third-party claims to real and personal property if the decedent died in possession of, or holding title to, such property, or determining decedent's claim to real or personal property title to or possession of which is held by another.

SEC. 6. Section 591.4 of the Probate Code is amended to read:

591.4. The advice of proposed action shall be delivered personally or sent by first-class mail, or sent by airmail to any person residing outside the jurisdiction of the United States, to each person described in Section 591.3 at his or her last known address. The advice of proposed action shall state the name and mailing address of the executor or administrator, the person and telephone number to call to get additional information, and the action proposed to be taken, with a reasonably specific description of such action, and the date on or after which the proposed action is to be taken. Such date shall not be less than 15 days after the personal delivery, or not less than 20

days after the mailing, of the advice. When the proposed action involves the sale or exchange of real property, or the granting of an option to purchase real propery, the advice of proposed action shall state the material terms of the transaction, including, if applicable, the sale price. The failure of the executor or administrator to comply with the provisions of this section shall not affect the validity of the action so taken or the title to any property conveyed or transferred to bona fide purchasers and to third persons dealing in good faith with the executor or administrator who changed their position in reliance on the action, conveyance, or transfer without actual notice of the failure of the executor or administrator to comply with such provisions. No person dealing with the executor or administrator shall have any duty to inquire or investigate whether or not the executor or administrator has complied with the provisions of this section.

SEC. 7. Section 591.5 of the Probate Code is amended to read:

591.5. (a) Any person described in Section 591.3 who objects to the taking of any proposed action described in Section 591.3 without court supervision, may do either or both of the following:

(1) The person may apply to the court having jurisdiction over the proceeding for an order restraining the executor or administrator from taking the proposed action without court supervision under the provisions of this code dealing with the court supervision of such action, which order the court shall grant without requiring notice to the executor or administrator and without cause being shown therefor. Such order may be served by the person so objecting upon the executor or administrator in the same manner provided for in Section 415.10 or 415.30 of the Code of Civil Procedure or in the manner authorized by the court.

(2) The person may deliver or mail a written objection to the executor or administrator at the address stated in the advice of proposed action, so that the objection is received before the date specified on or after which the proposed action is to be taken, or before the proposed action is actually taken, whichever is later.

(b) If the executor or administrator has notice of the issuance of the restraining order or of the written objection of a person described in Section 591.3, the executor or administrator shall, if he or she desires to consummate such action, submit it to the court for approval following the provisions of this code dealing with the court supervision of such action and may consummate such action under such order as may be entered by the court.

(c) The failure of the executor or administrator to comply with subdivision (b) and the consummation of the action by the executor or administrator without complying with subdivision (b) shall not affect the validity of the action so taken or the title to any property conveyed or transferred to bona fide purchasers and to third persons dealing in good faith with the executor or administrator who changed their position in reliance on the action, conveyance, or transfer without actual notice of the failure of the executor or

administrator to comply with subdivision (b). No person dealing with the executor or administrator shall have any duty to inquire or investigate whether or not the executor or administrator has complied with subdivision (b).

(d) All persons described in Section 591.3 who have been given an advice of proposed action as provided in Section 591.4 may object only in the manner provided in this section. The failure to object is a waiver of any right to have the court later review the action taken unless the person who fails to object establishes that he or she did not actually receive advice of the proposed action before the time to object expired. The court may, however, review actions of the executor or administrator on its own motion or on motion of an interested person who did not receive an advice of proposed action before the time to object expired.

SEC. 7.5. Section 608.5 is added to the Probate Code, to read:

608.5. (a) At any time prior to entry of the decree of final distribution of the estate, any interested person may file with the court a written objection to the appraisement by the executor, administrator, or probate referee.

(b) The clerk shall fix a time, not less than 10 days after the filing, for a hearing on the objection.

(c) The person objecting shall give notice of the hearing, together with a copy of the objection, to the persons and in the manner provided in Section 1200.5. If the appraisement was made by the probate referee, the person objecting shall also mail a copy of the objection and of the notice to the probate referee at least 10 days before the time set for the hearing.

(d) The person objecting to the appraisement has the burden of proof.

(e) Upon completion of the hearing, the court may make any orders it deems appropriate.

SEC. 8. The heading of Article 1 (commencing with Section 630) of Chapter 10 of Division 3 of the Probate Code is amended to read:

Article 1. Collection of Personal Property by Affidavit

SEC. 9. Section 630 of the Probate Code is amended to read:

630. (a) Subject to Section 632, subdivision (b) applies only where the gross value of the decedent's real property in this state, if any, does not exceed ten thousand dollars ($10,000) and the gross value of the decedent's real and personal property in this state (excluding any motor vehicle, or mobilehome or commercial coach registered under the provisions of Part 2 (commencing with Section 18000) of Division 13 of the Health and Safety Code, of which the decedent is the owner or legal owner) over and above any amounts due to the decedent for services in the armed forces of the United States, and over and above the amount of salary not exceeding five thousand dollars ($5,000), including compensation for unused vacation, owing to decedent for services from any employment, does

not exceed sixty thousand dollars ($60,000).

(b) The surviving spouse, the children, the issue of deceased children, a grandparent, parent, brothers or sisters of the decedent, the issue of a deceased brother or sister, or the guardian or conservator of the estate of any person bearing such relationship to the decedent, or the trustee named under a trust agreement executed by the decedent during his or her lifetime, the primary beneficiaries of which bear such relationship to the decedent, if such person or persons has or have a right to succeed to the property of the decedent, or the sole beneficiary, or all of the beneficiaries under the last will of the decedent, regardless of whether or not any beneficiary is related to the decedent, may, without procuring letters of administration, or awaiting the probate of the will, collect any money due the decedent (including money of the decedent on deposit in a financial institution as defined in Section 40), receive the tangible personal property of the decedent, and have any evidences of a debt, obligation, interest, right, stock, or chose in action transferred to such person or persons upon furnishing the person, representative, corporation, officer or body owing the money, having custody of such property or acting as registrar or transfer agent of such evidences of debt, obligation, interest, right, stock, or chose in action, with an affidavit or declaration under penalty of perjury showing the right of the person or persons to receive such money or property, or to have such evidences transferred. Nothing in this subdivision applies to real property or an interest in real property.

(c) If the decedent's will nominates a custodian to receive a bequest to a beneficiary under the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act of any state and the nomination has not been revoked and the other conditions of subdivisons (a) and (b) are satisfied, the custodian may collect the bequest as provided in subdivision (b) if the beneficiary has not attained the age at which the custodianship is to terminate.

(d) A transfer agent of any security shall change the registered ownership on the books of a corporation from the decedent to the successor or successors upon the presentation of an affidavit as provided in subdivision (b) and is discharged from liability in so doing as provided in Section 631.

(e) A public administrator who has taken charge of the estate of a decedent as provided in Section 1140 may refuse to pay money or deliver property of the estate pursuant to this article if payment of the costs and fees described in Section 1144.5, subject to the dollar limitations specified in that section, has not first been made or adequately assured to the satisfaction of the public administrator.

SEC. 10. Section 630.5 of the Probate Code is repealed.

SEC. 11. Section 632 of the Probate Code is amended to read:

632. For the purpose of this article, any property or interest therein or lien thereon which, at the time of the decedent's death, was held by the decedent as joint tenant, or in which the decedent

had a life or other estate terminable upon the decedent's death, or which was held by the decedent and passed to the decedent's surviving spouse pursuant to Section 649.1, shall be excluded in determining the property or estate of the decedent or its value.

SEC. 12. The heading of Article 2.5 (commencing with Section 649.1) of Chapter 10 of Division 3 of the Probate Code is amended to read:

Article 2.5. Passage of Property to Surviving Spouse Without Administration

SEC. 13. Section 649.1 of the Probate Code is amended to read:

649.1. (a) Except as provided in Section 649.3, when a husband or wife dies intestate, or dies testate and by his or her will bequeaths or devises all or a part of his or her property to the surviving spouse, it passes to the survivor subject to the provisions of Sections 649.2 and 649.4, and no administration is necessary.

(b) Notwithstanding subdivision (a), upon the election of the surviving spouse or the personal representative, guardian of the estate, or conservator of the estate of the surviving spouse, the following property may be administered under this division:

(1) The one-half of the community property that belongs to the decedent under Section 100, the one-half of the quasi-community property that belongs to the decedent under Section 101, and the separate property of the decedent.

(2) Both the property described in paragraph (1) and the one-half of the community property that belongs to the surviving spouse under Section 100, and the one-half of the quasi-community property that belongs to the surviving spouse under Section 101.

(c) The election shall be made within four months after the issuance of letters testamentary or of administration, or within such further time as the court may allow upon a showing of good cause, by a writing specifically evidencing the election filed in the proceedings for the administration of the estate of the deceased spouse and prior to the entry of an order under Section 655.

(d) Notwithstanding subdivision (a) or (b), the surviving spouse or the personal representative, guardian of the estate, or conservator of the estate of the surviving spouse may file an election and agreement in the proceedings for the administration of the estate of the deceased spouse to have all or part of the one-half of the community property that belongs to the surviving spouse under Section 100 and the one-half of the quasi-community property that belongs to the surviving spouse under Section 101 transferred by the surviving spouse or the surviving spouse's personal representative, guardian, or conservator to the trustee under the will of the deceased spouse or the trustee of an existing trust identified by the will of the deceased spouse, to be administered and distributed by the trustee. The election and agreement must be filed before the entry of the decree of final distribution in the proceedings.

SEC. 14. Section 649.3 of the Probate Code is amended to read:

649.3. The following property of the decedent is subject to administration under this division:

(a) Property passing to someone other than the surviving spouse under the decedent's will or by intestate succession.

(b) Property disposed of in trust under the decedent's will.

(c) Property in which the decedent's will limits the surviving spouse to a qualified ownership. For the purpose of this subdivision, a devise or bequest to the surviving spouse that is conditioned on the spouse surviving the decedent by a specified period of time is not a "qualified ownership" interest if the specified period of time has expired.

SEC. 15. Section 649.4 of the Probate Code is amended to read:

649.4. (a) Except as provided in this section and Section 951.1, upon the death of a married person, the surviving spouse is personally liable for the debts of the deceased spouse chargeable against the property described in subdivision (b).

(b) The liability imposed by subdivision (a) shall not exceed the value at the date of death, less the amount of any liens and encumbrances, of the total of the following:

(1) The one-half of the community and quasi-community property that belongs to the surviving spouse under Sections 100 and 101 that is not exempt from enforcement of a money judgment.

(2) The one-half of the community and quasi-community property that belongs to the decedent under Sections 100 and 101 that passes to the surviving spouse without administration.

(3) The separate property of the decedent that passes to the surviving spouse without administration.

(c) The surviving spouse is not liable under subdivision (a) if all of the property described in subdivision (b) is administered under this division.

(d) If proceedings are commenced in this state for the administration of the estate of the deceased spouse and the time for filing or presenting claims has commenced, any action upon the liability of the surviving spouse pursuant to subdivision (a) is barred to the same extent as provided for claims under Article 1 (commencing with Section 700) of Chapter 12, except as to the following:

(1) Creditors who had commenced judicial proceedings for the enforcement of the debts and had served the surviving spouse with process prior to the expiration of the time for filing or presenting claims.

(2) Creditors who secure the acknowledgment in writing of the liability of the surviving spouse for the debts.

(3) Creditors who file a timely claim in the proceedings.

(e) Except as provided in subdivision (d), any debt described in subdivision (a) may be enforced against the surviving spouse in the same manner as it could have been enforced against the deceased spouse if the deceased spouse had not died. In any action based upon

the debt, the surviving spouse may assert any defenses, cross-complaints, or setoffs which would have been available to the deceased spouse if the deceased spouse had not died.

SEC. 16. Section 650 of the Probate Code is amended to read:

650. (a) A surviving spouse or the personal representative, guardian of the estate, or conservator of the estate of the surviving spouse may file a petition in the superior court in the county in which the estate of the deceased spouse may be administered alleging that administration of all or a part of the estate is not necessary for the reason that all or a part of the estate is property passing or belonging to the surviving spouse. The petition shall be verified and shall set forth the following information:

(1) The facts necessary to determine the county in which the estate of the deceased spouse may be administered if proceedings for the administration of the estate are not pending.

(2) The names, ages, and addresses of the heirs, devisees, and legatees of the deceased spouse, the names and addresses of all persons named as executors of the will of the deceased spouse, and the names and addresses of all persons appointed as executors of the will or administrators of the estate of the deceased spouse, which are known to the petitioner.

(3) A description of the property of the deceased spouse which the petitioner alleges is property passing to the surviving spouse, including the trade or business name of any property passing to the surviving spouse that consists of a business or an interest in a business which the deceased spouse was operating or managing at the time of death.

(4) The facts upon which the petitioner bases the allegation that all or a part of the estate of the deceased spouse is property passing to the surviving spouse.

(5) A description of any interest in the community property or quasi-community property, or both, which the petitioner requests the court to confirm to the surviving spouse as belonging to the surviving spouse pursuant to Section 100 or 101.

(b) If the petitioner bases the allegation that all or part of the estate of the deceased spouse is property passing to the surviving spouse upon the will of the deceased spouse, a copy of the will shall be attached to the petition.

(c) To the extent of the election, this section does not apply to property that the petitioner has elected to have administered under this division as provided in subdivision (b) of Section 649.1.

(d) The action authorized by this section may be taken by a guardian or conservator without authorization or approval of the court in which the guardianship or conservatorship proceeding is pending.

SEC. 17. Section 653 of the Probate Code is amended to read:

653. (a) If proceedings for the administration of the estate of a deceased spouse are pending at the time a petition described in Section 650 is filed or, if the proceedings are not pending and if the

petition is not joined with a petition for probate of the will or administration of the estate of the deceased spouse, the clerk shall set the petition for hearing. At least 20 days prior to the date of the hearing on the petition, a notice of the hearing and a copy of the petition shall be personally served upon the following persons by the petitioner or mailed, postage prepaid, by the petitioner to the following persons, addressed to the addresses given in their request for special notice or notice of appearance, the addresses of their offices or places of residence, or, if neither of these addresses are known to the petitioner, the county seat of the county in which the proceedings are pending:

(1) Any personal representative who is not the petitioner.

(2) All legatees, devisees, and known heirs of the deceased spouse.

(3) All persons or their attorneys who have requested special notice pursuant to Section 1202.

(4) All persons or their attorneys who have given notice of appearance.

(5) The Attorney General, addressed to the office of the Attorney General at Sacramento, California, if the petitioner bases the allegation that all or part of the estate of the deceased spouse is property passing to the surviving spouse upon the will of the deceased spouse and the will involves or may involve (A) a testamentary trust of property for charitable purposes other than a charitable trust with a designated trustee, resident in this state, or (B) a bequest or devise for a charitable purpose without an identified legatee, devisee, or beneficiary.

(6) All other persons who are named in the will of the deceased spouse, if the petitioner bases the allegation that all or part of the estate of the deceased spouse is property passing to the surviving spouse upon the will.

(b) Notwithstanding the provisions of subdivision (a), a copy of the petition is not required to be personally served upon or mailed to any of the persons specified therein if both of the following conditions are met:

(1) All of the decedent's property passes to the surviving spouse under the decedent's will.

(2) No contingencies in the decedent's will remain to be satisfied at the time of the filing of the petition.

The notice shall specify that paragraphs (1) and (2) are applicable to the estate that is the subject of the petition.

SEC. 18. Section 655 of the Probate Code is amended to read:

655. (a) If the court finds that all of the property is property passing to the surviving spouse, it shall issue an order describing the property, determining that the property is property passing to the surviving spouse, and determining that no administration is necessary. If the petition filed under Section 650 includes a description of the interest of the surviving spouse in the community property or quasi-community property, or both, which belongs to the surviving spouse pursuant to Section 100 or 101 and the court finds

that the interest belongs to the surviving spouse, it shall issue an order describing the property and confirming the ownership of the surviving spouse.

(b) If the court finds that all or a part of the property is not property passing to the surviving spouse, it shall do all of the following:

(1) Issue an order describing any property which is property passing to the surviving spouse, determining that the property passes to the surviving spouse, and determining that no administration of the property is necessary; and issue any further orders which may be necessary to cause delivery of the property or its proceeds to the surviving spouse.

(2) If the petition filed under Section 650 includes a description of the interest of the surviving spouse in the community property or quasi-community property, or both, which belongs to the surviving spouse pursuant to Section 100 or 101 and the court finds that the interest belongs to the surviving spouse, issue an order describing the property and confirming the ownership of the surviving spouse and any further orders which may be necessary to cause ownership of the property to be confirmed in the surviving spouse.

(3) Issue an order describing any property which is not property passing to the surviving spouse, determining that the property does not pass to the surviving spouse, and determining that the property is subject to administration under this division.

(c) Upon becoming final, an order (1) determining that property is property passing to the surviving spouse or (2) confirming the ownership of the surviving spouse of property belonging to the surviving spouse under Section 100 or 101 shall be conclusive on all persons, whether or not they are in being.

SEC. 19. Section 656 of the Probate Code is amended to read:

656. In any case in which the court finds that all or a part of the property passing to the surviving spouse consists of a business or an interest in a business which the deceased spouse was operating or managing at the time of death, it shall require the surviving spouse to file a list of all of the known creditors of the business and the amount owing to each of them. The court may issue any order necessary to protect the interests of the creditors of the business, including the filing of an undertaking.

SEC. 20. Section 933 is added to the Probate Code, to read:

933. (a) The executor or administrator is not required to render an account when all persons entitled to distribution of the estate have executed and filed one of the following:

(1) A written waiver of accounting.

(2) A written acknowledgment that the person has received the share of the estate to which he or she is entitled.

(b) The waiver or acknowledgment under subdivision (a) shall be executed as follows:

(1) If the distributee is adult and competent, by the distributee.

(2) If the distributee is a minor, by a person authorized to receive

money or property belonging to the minor. If the waiver is executed by a guardian of the estate of the minor, the waiver may be executed without the need to obtain approval of the court in which the guardianship proceeding is pending.

(3) If the distributee is a conservatee, by the conservator of the estate of the distributee. The waiver may be executed without the need to obtain approval of the court in which the conservatorship proceeding is pending.

(4) If the distributee is a trust, by the trustee, but only if the named trustee's consent to act has been filed with the court.

(5) If the distributee is an estate, by the personal representative.

(c) Notwithstanding waiver of the account, the executor or administrator shall file a report at the time the account would otherwise have been required showing the amount of fees or commission paid or payable to the executor or administrator and to the attorneys and setting forth the basis for determining such amount.

(d) If any beneficiaries of the estate are unascertained, an accounting cannot be waived.

SEC. 20.3. Section 1200.5 of the Probate Code is amended to read:

1200.5. (a) Notice shall be given in the manner prescribed in subdivision (b) upon the filing of any of the following:

(1) A petition under Section 641 for the setting aside of an estate.

(2) A petition to set apart a homestead or exempt property.

(3) A petition relating to the family allowance filed after the return of the inventory.

(4) A petition for leave to settle or compromise a claim against a debtor of the decedent or a claim against the estate or a suit against the executor or administrator as such.

(5) A petition for the sale of stocks or bonds.

(6) A petition for confirmation of a sale or a petition to grant an option to purchase real property.

(7) A petition for leave to enter into an agreement to sell or give an option to purchase a mining claim or real property worked as a mine.

(8) A petition for leave to execute a promissory note or mortgage or deed of trust or give other security.

(9) A petition for leave to lease or to exchange property, or to institute an action for the partition of property.

(10) A petition for an order authorizing or directing the investment of money.

(11) An account of an executor or administrator or trustee.

(12) A petition for partial or ratable or preliminary or final distribution.

(13) A petition for the delivery of the estate of a nonresident.

(14) A petition for determination of heirship or interests in an estate.

(15) A petition of a trustee for instructions.

(16) A petition for the appointment of a trustee.

(17) Any petition for letters of administration or for probate of will, or for letters of administration-with-will annexed, which is filed after letters of administration or letters testamentary have once been issued.

(18) A report of status of administration.

(19) A petition for family allowance.

(20) An objection to the appraisement made by the executor, administrator, or probate referee.

(b) At least 10 days before the time set for the hearing of the petition or account, the petitioner or person filing the account shall cause notice of the time and place of hearing to be mailed to the executor or administrator, when he or she is not the petitioner, to any coexecutor or coadministrator not petitioning, and to all persons (or to their attorneys, if they have appeared by attorney), who have requested notice or who have given notice of appearance in the estate in person or by attorney, as heir, devisee, legatee or creditor, or as otherwise interested, addressed to them at their respective post office addresses given in their request for special notice, if any, otherwise at their respective offices or places of residence, if known, and if not, at the county seat of the county where the proceedings are pending, or to be personally served upon such person.

(c) Proof of the giving of notice shall be made at the hearing; and, if it appears to the satisfaction of the court that the notice has been regularly given, the court shall so find in its order, and the order shall be conclusive upon all persons when it becomes final.

(d) This section shall not apply to proceedings under Division 4 (commencing with Section 1400). When a provision of Division 4 applies the provisions of this code applicable to executors or administrators to proceedings under Division 4, a reference to this section in the provisions applicable to executors or administrators shall be deemed to be a reference to Chapter 3 (commencing with Section 1460) of Part 1 of Division 4.

(e) The notice required by this section shall be in addition to the notice, if any, required to be given in the manner specified in Section 1200.

SEC. 20.4. Section 1200.5 of the Probate Code is amended to read:

1200.5. (a) Notice shall be given in the manner prescribed in subdivision (b) upon the filing of any of the following:

(1) A petition under Section 641 of this code for the setting aside of an estate.

(2) A petition to set apart a homestead or exempt property.

(3) A petition relating to the family allowance filed after the return of the inventory.

(4) A petition for leave to settle or compromise a claim against a debtor of the decedent or a claim against the estate or a suit against the executor or administrator as such.

(5) A petition for the sale of stocks or bonds.

(6) A petition for confirmation of a sale or a petition to grant an option to purchase real property.

(7) A petition for leave to enter into an agreement to sell or give an option to purchase a mining claim or real property worked as a mine.

(8) A petition for leave to execute a promissory note or mortgage or deed of trust or give other security.

(9) A petition for leave to lease or to exchange property, or to institute an action for the partition of property.

(10) A petition for an order authorizing or directing the investment of money.

(11) An account of an executor or administrator or trustee.

(12) A petition for partial or ratable or preliminary or final distribution.

(13) A petition for the delivery of the estate of a nonresident.

(14) A petition for determination of heirship or interests in an estate.

(15) A petition of a trustee for instructions.

(16) A petition for the appointment of a trustee.

(17) Any petition for letters of administration or for probate of will, or for letters of administration-with-will annexed, which is filed after letters of administration or letters testamentary have once been issued.

(18) A report of status of administration.

(19) A petition for family allowance.

(20) A petition under Section 709 for leave to file a claim against the estate after the expiration of the prescribed period.

(21) Any other proceeding under this code in which notice is required and no other time or method is prescribed by law or by court or judge.

(22) An objection to the appraisement made by the executor, administrator, or probate referee.

(b) At least 10 days before the time set for the hearing of the petition or account, the petitioner or person filing the account shall cause notice of the time and place of hearing to be mailed to the executor or administrator, when he or she is not the petitioner, to any coexecutor or coadministrator not petitioning, and to all persons (or to their attorneys, if they have appeared by attorney), who have requested notice or who have given notice of appearance in the estate in person or by attorney, as heir, devisee, legatee or creditor, or as otherwise interested, addressed to them at their respective post office addresses given in their request for special notice, if any, otherwise at their respective offices or places of residence, if known, and if not, at the county seat of the county where the proceedings are pending, or to be personally served upon such person.

(c) Proof of the giving of notice shall be made at the hearing; and, if it appears to the satisfaction of the court that the notice has been regularly given, the court shall so find in its order, and the order shall be conclusive upon all persons when it becomes final.

(d) This section shall not apply to proceedings under Division 4 (commencing with Section 1400). When a provision of Division 4

applies the provisions of this code applicable to executors or administrators to proceedings under Division 4, a reference to this section in the provisions applicable to executors or administrators shall be deemed to be a reference to Chapter 3 (commencing with Section 1460) of Part 1 of Division 4.

(e) The notice required by this section shall be in addition to the notice, if any, required to be given in the manner specified in Section 1200.

SEC. 20.7. Section 2628 of the Probate Code is amended to read:

2628. (a) As used in this section, "public benefit payments" means payments received or to be received under either or both of the following:

(1) Part 3 (commencing with Section 11000) of, Part 4 (commencing with Section 16000) of, or Part 5 (commencing with Section 17000) of, Division 9 of the Welfare and Institutions Code.

(2) Subchapter II (commencing with Section 401) of, or Part A of Subchapter XVI (commencing with Section 1382) of, Chapter 7 of Title 42 of the United States Code.

(b) The court may make an order that the guardian or conservator need not present the accounts otherwise required by this article so long as all of the following conditions are satisfied:

(1) The estate at the beginning and end of the accounting period for which an account is otherwise required consisted of property, exclusive of the residence of the ward or conservatee, of a total net value of less than five thousand dollars ($5,000).

(2) The income of the estate for each month of the accounting period, exclusive of public benefit payments, was less than three hundred dollars ($300).

(3) All income of the estate during the accounting period, if not retained, was spent for the benefit of the ward or conservatee.

(c) Notwithstanding that the court has made an order under subdivision (b), the ward or conservatee or any interested person may petition the court for an order requiring the guardian or conservator to present an account as otherwise required by this article or the court on its own motion may make such an order. An order under this subdivision may be made ex parte or on such notice of hearing as the court in its discretion requires.

(d) For any accounting period during which all of the conditions of subdivision (b) are not satisfied, the guardian or conservator shall present the account as otherwise required by this article.

SEC. 21. (a) Except as provided in subdivision (b), the amendments made by this act to Sections 591.2, 591.3, 591.4, and 591.5 of the Probate Code do not apply if the executor or administrator was granted authority prior to January 1, 1985, to administer the estate under the Independent Administration of Estates Act.

(b) An executor or administrator who was granted authority prior to January 1, 1985, to administer the estate under the Independent Administration of Estates Act may file a petition under Section 591.1 of the Probate Code, after January 1, 1985. If the petition is granted,

the provisions of the Independent Administration of Estates Act as amended by this act apply.

SEC. 22. The amendments made by this act to Sections 630, 632, 649.1, 649.3, 649.4, 650, 653, 655, and 656 of the Probate Code, and the repeal by this act of Section 630.5 of the Probate Code, apply only to cases where the decedent died after December 31, 1984. If the decedent died before January 1, 1985, the case shall be governed by the law that would apply if those sections had not been amended by this act.

SEC. 23. Section 20.4 of this bill incorporates amendments to Section 1200.5 of the Probate Code proposed by both this bill and AB 3085. It shall only become operative if (1) both bills are enacted and become effective on January 1, 1985, (2) each bill amends Section 1200.5 of the Probate Code, and (3) this bill is enacted after AB 3085, in which case Section 20.3 of this bill shall not become operative.

CHAPTER 452

An act to amend Sections 14155, 14803, 14859, 14867, 15200, and 15400 of the Financial Code, and to amend Sections 5303 and 5405 of the Probate Code, relating to financial institutions.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 14155 of the Financial Code is amended to read:

14155. Upon reasonable notice and opportunity to be heard, the commissioner may deny the application for a certificate to act as a credit union or an expansion of the field of membership of an existing credit union for any of the following reasons:

(a) The field of membership of the applicant is contrary to the principles of organizing credit unions, including principles of organizing credit unions based on common bond of occupation, association, or groups within a well-defined neighborhood, community or rural district.

(b) A false statement of a material fact has been made in the application for certificate.

(c) Any officer, director, or committee member of the applicant has, within the last 10 years, been (1) convicted of or pleaded nolo contendere to a crime, or (2) committed any act involving dishonesty, fraud, or deceit, which crime or act is substantially related to the qualifications, functions, or duties of a person engaged in business in accordance with the provisions of this division.

(d) The applicant or any officer, director, or committee member of the applicant has violated any provision of this division or the rules

thereunder or any similar regulatory scheme of a foreign jurisdiction.

(e) The number of persons eligible for membership is less than 500.

(f) The applicant's showing as to the economic feasibility of the proposed credit union is inadequate. Notwithstanding anything to the contrary, nothing shall prohibit a credit union from admitting to membership any corporation formed to provide services to credit unions or to credit union members pursuant to Sections 14650 and 14651.

SEC. 2. Section 14803 of the Financial Code is amended to read:

14803. No credit union shall pay any commission or compensation for securing members, provided that this provision shall not limit any credit union from using growth in the number of memberships in the credit union as a part of its compensation program. Before implementing a compensation program authorized by this section, or before changing an approved compensation program authorized by this section, a credit union shall obtain the written approval of the commissioner. The commissioner shall approve or deny the compensation program within 45 days from the date of filing the request for approval.

SEC. 3. Section 14859 of the Financial Code is amended to read:

14859. No credit union shall pay any commission or compensation for the sale of its shares, provided that this provision shall not limit any credit union from using growth in the number of or amount of credit union shares as a part of its compensation program. Before implementing a compensation program authorized by this section, or before changing an approved compensation program authorized by this section, a credit union shall obtain the written approval of the commissioner. The commissioner shall approve or deny the compensation program within 45 days from the date of filing the request for approval.

SEC. 4. Section 14867 of the Financial Code is amended to read:

14867. (a) Shares, including special shares, and certificates for funds may be withdrawn for payment to the owner or for any third party, in the manner and in accordance with written procedures which shall be established by the board of directors.

(b) The board of directors may waive any requirement of notice of intent to withdraw or provide that there is no requirement of notice of intent to withdraw or to transfer funds, except when requirement of the notice is imposed by applicable law.

(c) Unless otherwise provided by written agreement of the parties, the rights, responsibilities, and liabilities of a person regarding an item withdrawn from a credit union, or transferred to a credit union or otherwise handled by a credit union are defined in and determined by the provisions of Division 3 (commencing with Section 3101) and Division 4 (commencing with Section 4101) of the Commercial Code, as if the credit union were a bank.

SEC. 5. Section 15200 of the Financial Code is amended to read:

15200. Any credit union may, with the approval of the

commissioner, merge with another credit union or with a central credit union.

SEC. 6. Section 15400 of the Financial Code is amended to read:

15400. "Central credit union" means a credit union whose membership includes, but is not limited to, other credit unions, members of credit unions, credit union employees, employees of organizations serving credit unions, and the families of such members and any common bond set out in subdivision (a) of Section 14155.

SEC. 7. Section 5303 of the Probate Code is amended to read:

5303. (a) The provisions of Section 5302 as to rights of survivorship are determined by the form of the account at the death of a party.

(b) Once established, the terms of a multiple-party account can be changed only by any of the following methods:

(1) Closing the account and reopening it under different terms.

(2) Presenting to the financial institution a modification agreement that is signed by all parties with a present right of withdrawal. If the financial institution has a form for this purpose, it may require use of the form.

(3) If the provisions of the terms of the account or deposit agreement provide a method of modification of the terms of the account, complying with those provisions.

(4) As provided in subdivision (c) of Section 5405.

SEC. 8. Section 5405 of the Probate Code is amended to read:

5405. (a) Payment made pursuant to Section 5401, 5402, 5403, or 5404 discharges the financial institution from all claims for amounts so paid whether or not the payment is consistent with the beneficial ownership of the account as between parties, P.O.D. payees, or beneficiaries, or their successors.

(b) The protection provided by subdivision (a) does not extend to payments made after the financial institution has been served with a court order restraining payment. No other notice or any other information shown to have been available to a financial institution shall affect its right to the protection provided by subdivision (a).

(c) Unless the notice is withdrawn by a subsequent writing, after receipt of a written notice from any party that withdrawals in accordance with the terms of the account, other than a checking account, share draft account, or other similar third-party payment instrument, should not be permitted, except with the signatures of more than one of the parties during their lifetimes or of more than one of the survivors after the death of any one of the parties, the financial institution may only pay the sums on deposit in accordance with the written instructions pending determination of the rights of the parties or their successors. No liability shall attach to the financial institution for complying with the terms of any written notice provided pursuant to this subdivision.

(d) The protection provided by this section has no bearing on the rights of parties in disputes between themselves or their successors

concerning the beneficial ownership of funds in, or withdrawn from, multiple-party accounts and is in addition to, and not exclusive of, any protection provided the financial institution by any other provision of law.

CHAPTER 453

An act to amend Sections 9701, 9724, and 9740 of the Welfare and Institutions Code, relating to the Long-Term Care Ombudsman Program.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 9701 of the Welfare and Institutions Code is amended to read:

9701. Unless the contrary is stated or clearly appears from the context, the following definitions shall govern the interpretation of this chapter:

(a) "Long-term care facility" means any of the following:

(1) Any long-term health care facility, as defined in subdivision (a) of Section 1418 of the Health and Safety Code.

(2) Any community care facility, as defined in paragraphs (1) and (2) of subdivision (a) of Section 1502 of the Health and Safety Code, whether licensed or unlicensed.

(3) Any swing bed in an acute care facility, or any extended care facility.

(4) Any adult day health care facility as defined in subdivision (b) of Section 1570.7 of the Health and Safety Code.

(b) "Approved organization" means any public agency or other appropriate organization which has been designated by the department to hear, investigate, and resolve complaints made by or on behalf of patients, residents, or clients of long-term care facilities relating to matters which may affect the health, safety, welfare, and rights of these patients, residents, or clients.

(c) "Office" means the Office of the State Long-Term Care Ombudsman, including approved organizations.

(d) "State Ombudsman" means the State Long-Term Care Ombudsman.

(e) "Director" means the Director of the Department of Aging.

(f) "Department" means the Department of Aging.

(g) "Medical training" or "medical records training" means the completion of training as a physician, registered nurse, nurse practitioner, licensed vocational nurse, pharmacist, medical social worker, medical records technician, physician's assistant, or discharge planner.

(h) "Ombudsman coordinator" means the individual selected by the governing board or executive director of the approved organization to manage the day-to-day operation of the ombudsman program, including the implementation of federal and state requirements governing the office.

SEC. 2. Section 9724 of the Welfare and Institutions Code is amended to read:

9724. Notwithstanding the provisions of Section 56 of the Civil Code, in order for the office to carry out its responsibilities under this chapter, the office shall have access to the medical or personal records of a patient or resident of a long-term care facility which are retained by the facility, under the following conditions:

(a) If the patient or resident has the ability to write, access may only be obtained by the written consent of the patient or resident.

(b) If the patient or resident is unable to write, oral consent may be given in the presence of a third party as witness.

(c) If the patient or resident is under a California guardianship or conservatorship of the person, which provides the guardian or conservator with the authority to approve review of records, the office shall obtain the permission of the guardian or conservator for review of the records, unless any of the following apply:

(1) The existence of the guardianship or conservatorship is unknown to the office or the facility.

(2) The guardian or conservator cannot be reached within three working days.

(3) The office has reason to believe the guardian or conservator is not acting in the best interests of the ward or the conservatee.

(d) If the patient or resident is unable to express written or oral consent and there is no guardian or conservator, or the notification of the guardian or conservator is not applicable for reasons set forth in subdivision (c), inspection of records may be made by ombudsmen qualified by medical training and with the approval of the ombudsman coordinator or the State Ombudsman, when there is sufficient cause for the inspection. Copies may be reproduced by the office. The licensee and facility personnel who disclose records pursuant to this subdivision shall not be liable for the disclosure. If investigation of records is sought pursuant to this subdivision, the ombudsman shall, upon request, produce a statement signed by the ombudsman coordinator authorizing the ombudsman to review the records.

Facilities providing copies of records pursuant to this section may charge the actual copying cost for each page copied.

Upon request by the office, a long-term care facility shall provide to the office the name, address, and telephone number of the conservator, legal representative, or next-of-kin of any patient or resident.

SEC. 3. Section 9740 of the Welfare and Institutions Code is amended to read:

9740. The department shall establish an 11-member advisory

council for the office. Members of the council shall be appointed by the director and shall consist of representatives of community organizations, area agencies on aging, two long-term care providers, federal Older Americans Act funded direct services, the State Commission on Aging, the California Long-Term Care Ombudsman Association, county government, and other appropriate governmental agencies. The director shall make the appointments from lists of no less than five names submitted by each of the designated entities.

The advisory council shall provide advice and consultation to the State Long-Term Care Ombudsman Program on issues affecting the provision of ombudsman services and recommendations as appropriate. The advisory council shall meet at least three times annually. The first meeting of the advisory council shall be not later than April 1, 1983. Representatives on the advisory council shall receive their actual and necessary travel and other expenses incurred in participation on the advisory council.

CHAPTER 454

An act to amend Section 704.730 of, and to add Section 704.965 to, the Code of Civil Procedure, relating to homestead exemptions.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 704.730 of the Code of Civil Procedure is amended to read:

704.730. (a) The amount of the homestead exemption is one of the following:

(1) Thirty thousand dollars ($30,000) unless the judgment debtor or spouse of the judgment debtor who resides in the homestead is a person described in paragraph (2) or (3).

(2) Forty-five thousand dollars ($45,000) if the judgment debtor or spouse of the judgment debtor who resides in the homestead is at the time of the attempted sale of the homestead a member of a family unit, and there is at least one member of the family unit who owns no interest in the homestead or whose only interest in the homestead is a community property interest with the judgment debtor.

(3) Fifty-five thousand dollars ($55,000) if the judgment debtor or spouse of the judgment debtor who resides in the homestead is at the time of the attempted sale of the homestead either a person 65 years of age or older, or a person physically or mentally disabled and as a result of that disability is unable to engage in substantial gainful employment. A rebuttable presumption affecting the burden of

proof shall arise that a person receiving disability insurance benefit payments under Title II or supplemental security income payments under Title XVI of the federal Social Security Act satisfies the requirements of this paragraph.

(b) Notwithstanding any other provision of this section, the combined homestead exemptions of spouses on the same judgment shall not exceed the amount specified in paragraph (2) or (3), whichever is applicable, of subdivision (a), regardless of whether the spouses are jointly obligated on the judgment and regardless of whether the homestead consists of community or separate property or both. Notwithstanding any other provision of this article, if both spouses are entitled to a homestead exemption, the exemption of proceeds of the homestead shall be apportioned between the spouses on the basis of their proportionate interests in the homestead.

SEC. 2. Section 704.965 is added to the Code of Civil Procedure, to read:

704.965. If a homestead declaration is recorded prior to the operative date of an amendment to Section 704.730 which increases the amount of the homestead exemption, the amount of the exemption for the purposes of subdivision (c) of Section 704.950 and Section 704.960 is the increased amount, except that, if the judgment creditor obtained a lien on the declared homestead prior to the operative date of the amendment to Section 704.730, the exemption for the purposes of subdivision (c) of Section 704.950 and Section 704.960 shall be determined as if that amendment to Section 704.730 had not been enacted.

CHAPTER 455

An act to amend Section 11.5 of the Crestline-Lake Arrowhead Water Agency Act (Chapter 40 of the Statutes of 1962, First Extraordinary Session), relating to the Crestline-Lake Arrowhead Water Agency.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 11.5 of the Crestline-Lake Arrowhead Water Agency Act (Chapter 40 of the Statutes of 1962, First Extraordinary Session) is amended to read:

Sec. 11.5. The agency, by ordinance, may fix, on or before the first day of July in each calendar year, a water standby or availability charge in any area within the agency boundaries to which wholesale or retail water is made available by the agency, whether the water is actually used or not. The standby charge shall not exceed ten dollars ($10) per acre per year for each acre of land or parcel less

than one acre within the agency boundaries. The ordinance fixing a standby charge may establish schedules varying the charges according to land uses, water uses, and degree of water availability. If any standby charge remains unpaid on the first day of the month before the month in which the board of supervisors of each affected county is required by law to levy the amount of taxes required for county purposes, the amount of the unpaid standby charge shall be added to and become part of the annual tax levied upon the land to which water for which the standby charge is unpaid was available. The amount of the unpaid standby charge shall constitute a lien on that land as of the same time and in the same manner as does the tax lien securing the annual taxes. All laws applicable to the levy, collection, and enforcement of municipal ad valorem taxes shall be applicable to the assessment, except that if any real property to which the lien would attach has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of the taxes would become delinquent, then the lien which would otherwise be imposed by this section shall not attach to the real property and the delinquent and unpaid charges relating to the property shall be transferred to the unsecured roll for collection. At least 15 days before the first day of the month in which the board of supervisors of each affected county is required by law to levy the amount of taxes required for county purposes, the board shall furnish in writing to the board of supervisors and the county auditor of each affected county a description of each parcel of land within the agency upon which a standby charge remains unpaid, together with the amount of the unpaid standby charge on each such parcel of land.

CHAPTER 456

An act to amend Section 4025 of the Penal Code, relating to county jails.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 4025 of the Penal Code is amended to read:

4025. (a) The sheriff of each county may establish, maintain and operate a store in connection with the county jail and for this purpose may purchase confectionery, tobacco and tobacco users' supplies, postage and writing materials, and toilet articles and supplies and to sell such goods, articles, and supplies for cash to inmates in such jail.

(b) The sale prices of the articles offered for sale at the store shall be fixed by the sheriff. Any profit shall be deposited in an inmate

welfare fund to be kept in the treasury of the county.

(c) There shall also be deposited in the inmate welfare fund 10 percent of all gross sales of inmate hobbycraft.

(d) The money and property deposited in the inmate welfare fund shall be expended by the sheriff solely for the benefit, education, and welfare of the inmates confined within the jail. An itemized report of such expenditures shall be submitted annually to the board of supervisors.

(e) The operation of a store within any other county adult detention facility which is not under the jurisdiction of the sheriff shall be governed by the provisions of this section, except that the board of supervisors shall designate the proper county official to exercise the duties otherwise allocated in this section to the sheriff.

(f) The operation of a store within any city adult detention facility shall be governed by the provisions of this section, except that city officials shall assume the respective duties otherwise outlined in this section for county officials.

(g) The treasurer may, pursuant to Article 1 (commencing with Section 53600), or Article 2 (commencing with Section 53630), of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code, deposit, invest, or reinvest any part of the inmate welfare fund, in excess of that which the treasurer deems necessary for immediate use. The interest or increment accruing on such funds shall be deposited in the inmate welfare fund.

(h) The sheriff may expend money from the inmate welfare fund to provide indigent inmates, prior to release from the county jail or any other adult detention facility under the jurisdiction of the sheriff, with essential clothing and transportation expenses within the county or, at the discretion of the sheriff, transportation to the inmate's county of residence, if the county is within the state or 500 miles from the county of incarceration. This subdivision does not authorize expenditure of money from the inmate welfare fund for the transfer of any inmate to the custody of any other law enforcement official or jurisdiction.

CHAPTER 457

An act to amend Section 12004 of the Fish and Game Code, relating to fish and game.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 12004 of the Fish and Game Code is amended to read:

12004. The punishment for a first violation of Section 8685.5,

8685.6, or 8685.7 is a fine of not more than five thousand dollars ($5,000), or imprisonment in the county jail for a period not to exceed six months, or the revocation of any license issued pursuant to Section 8040, or any combination of these penalties.

(b) The punishment for a second or subsequent conviction of a violation of Section 8685.5, 8685.6, or 8685.7, which offense occurred within five years of another offense which resulted in a conviction of Section 8685.5, 8685.6, or 8685.7, is a fine of not more than ten thousand dollars ($10,000), or imprisonment in the state prison, or imprisonment in the county jail for a period not to exceed one year, or the revocation of any license issued pursuant to Section 8040, or any combination of these penalties.

SEC. 2. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 458

An act to amend Section 18909 of the Health and Safety Code, relating to state building standards, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 18909 of the Health and Safety Code is amended to read:

18909. (a) "Building standard" means any rule, regulation, order, or other requirement promulgated by a state agency, including any amendment or repeal of such a requirement, which specifically regulates, requires, or forbids the method of use, properties, performance, or types of materials used in the construction, alteration, improvement, repair, or rehabilitation of a building, structure, factory-built housing, or other improvement to real property, including fixtures therein, and as determined by the commission.

(b) Except as provided in subdivision (d), "building standard" includes architectural and design functions of a building or structure, including, but not limited to, number and location of doors, windows, and other openings, stress or loading characteristics of materials, and methods of fabrication, clearances, and other functions.

(c) "Building standard" does not include a regulation, rule, or order relating to the enforcement of a building standard, including the penalties for failure to comply with a building standard.

(d) "Building standard" does not include any safety regulations which any state agency is authorized to adopt relating to the operation of machinery and equipment used in manufacturing, processing, or fabricating, including, but not limited to, warehousing and food processing operations, but not including safety regulations relating to permanent appendages, accessories, apparatus, appliances, and equipment attached to the building as a part thereof, as determined by the commission.

(e) "Building standard" does not include temporary scaffoldings and similar temporary safety devices and procedures, which are used in the erection, demolition, moving, or alteration of buildings.

(f) "Building standard" does not include any regulation relating to operations or procedures established for the administration of a program of a state agency or for the internal management of a state agency.

(g) "Building standard" does not include any regulation, rule, order, or standard which pertains to mobilehomes, commercial coaches, or recreational vehicles.

(h) "Building standard" does not include any regulation, rule, or order or standard which pertains to a mobilehome park, recreational vehicle park, temporary recreational vehicle park, or travel trailer park, except that "building standard" includes the construction of permanent buildings and plumbing, electrical, and fuel gas equipment and installations within permanent buildings in mobilehome parks, recreational vehicle parks, temporary recreational vehicle parks, or travel trailer parks. For purposes of this subdivision, "permanent building" means any permanent structure constructed in the mobilehome park, recreational vehicle park, temporary recreational vehicle park, or travel trailer park which is a permanent facility under the control and ownership of the park operator.

(i) "Building standard" does not include any regulation, rule, order, or standard which pertains to mausoleums regulated under Part 5 (commencing with Section 9501) of Division 8.

SEC. 2. It is the intent of the Legislature that the amendment of Section 18909 of the Health and Safety Code, made by this act, shall not be construed to alter the powers of regulatory agencies which govern utility distribution systems in mobilehome parks on the effective date of this act.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

Under existing law, the regulation of mobilehomes is a unique problem, which is currently recognized by the exclusion of mobilehomes, commercial coaches, and recreational vehicles from

state building standards. In order to bring mobilehome parks, recreational vehicle parks, temporary recreational vehicle parks, and travel trailer parks into substantial conformity with this exclusion at the earliest possible time, it is necessary for this act to take effect immediately.

CHAPTER 459

An act to amend Sections 8516 and 8565 of, and to add Article 2.5 (commencing with Section 8538) to Chapter 14 of Division 3 of, the Business and Professions Code, relating to structural pest control.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 8516 of the Business and Professions Code is amended to read:

8516. (a) The provisions of this section shall apply only to wood-destroying pests or organisms.

(b) No licensee shall commence work on a contract, or sign, issue or deliver any documents expressing an opinion or statement relating to the absence or presence of wood-destroying pests or organisms until an inspection has been made. The licensee shall retain for three years all field reports from which a verbal or written estimate of or solutions for work are made. A written inspection report conforming to this section and on a form prescribed by the board shall be prepared and delivered to the person requesting the inspection or to the person's designated agent. A copy of each report shall be filed with the board at the time the report is delivered or not later than five working days after the date the inspection is made. The report shall be delivered to the person requesting the inspection, or to the person's designated agent, before work is commenced. The following shall be set forth in the report:

(1) The date of the inspection and the name of the person making the inspection.

(2) The name and address of the person or firm ordering the report.

(3) The name and address of any person who is a party in interest to whom the board is to send certified copies of inspection reports and completion notices as provided in subdivision (e).

(4) The address or location of the property.

(5) A general description of the building or premises inspected.

(6) A foundation diagram or sketch of the structure or structures or portions of the structure or structures inspected, indicating thereon the approximate location of any infested or infected areas evident, and the parts of the structure where conditions exist which

would ordinarily subject such parts to attack by wood-destroying pests or organisms.

(7) Information regarding the substructure, foundation walls and footings, porches, patios and steps, air vents, abutments, attic spaces or other parts subject to attack by wood-destroying pests or organisms. Conditions usually deemed likely to lead to infestation or infection, such as earth contacts, excessive cellulose debris, faulty grade levels, excessive moisture conditions and insufficient ventilation are to be reported.

(8) Indication or description of any areas normally subject to damage which are inaccessible or for other reason not inspected, with suggestion for further inspection if practicable. If, after the report has been made in compliance with the provisions of this section, authority is given later to open inaccessible areas, a supplementary report on conditions in these areas shall be made.

(9) Recommendations for corrective measures.

(10) Information regarding the pesticide or pesticides to be used for their control as set forth in subdivision (a) of Section 8578.

(11) The inspection report shall clearly disclose that if requested by the person ordering the original report, a reinspection of the structure will be performed if an estimate or bid for making repairs was given with the original inspection report, or thereafter.

An estimate shall be given with the original inspection report if the person who ordered the original inspection report so requests, and if the licensee is regularly in the business of performing corrective measures.

If no estimate or bid was given with the original inspection report, or thereafter, then the licensee shall not be required to perform a reinspection.

A reinspection shall be an inspection of those items previously listed on an original report to determine if the recommendations have been completed. Each reinspection shall be reported on an original inspection report form and shall be labeled "Reinspection" in capital letters by rubber stamp or typewritten. Each reinspection shall also identify the original report by date and stamp numbers.

After four months from an original inspection, all inspections shall be original inspections and not reinspections.

Any reinspection shall be performed for not more than the price of the firm's original inspection price and shall be completed within 10 working days after a reinspection has been ordered.

(c) The report and any contract entered into shall also state specifically when any guarantee for the work is made, and if so, the specific terms of the guarantee and the period of time for which the guarantee shall be in effect.

(d) Control service is defined as the regular reinspection of a property after a report has been made in compliance with the provisions of this section and such corrections as have been agreed upon have been completed. Under a control service agreement a licensee shall refer to the original report and contract in a manner

as to identify them clearly, and the report shall be assumed to be a true report of conditions as originally issued, except it may be modified after a control service inspection. A licensee is not required to issue a report as outlined in paragraphs 1 to 9, inclusive, after each control service inspection. If after control service inspection, no modification of the original report is made in writing, then it will be assumed that conditions are as originally reported. A control service contract shall state specifically the particular wood-destroying pests or organisms and the portions of the buildings or structures covered by the contract.

(e) Whenever a report is filed pursuant to subdivision (b), the board shall forthwith send to any person or firm designated under paragraph 3 of that subdivision a certified copy of all inspection reports and completion notices made on the property and filed with the board during the preceding two years, if so requested and upon payment of an appropriate search fee.

(f) All work recommended by a structural pest control licensee, where an estimate or bid for making repairs was given with the original inspection report, or thereafter, shall be recorded on this report or a separate work agreement and shall specify a price for each recommendation. This information shall be provided to the person requesting the inspection, and shall be retained by the licensee with the inspection report copy for two years.

SEC. 2. Article 2.5 (commencing with Section 8538) is added to Chapter 14 of Division 3 of the Business and Professions Code, to read:

Article 2.5. Pesticides

8538. (a) A structural pest control operator, field representative, or employee shall provide the owner, or owner's agent, and tenant of the premises for which the work is to be done with clear written notice which contains the following statements and information using words with common and everyday meaning:

(1) The pest to be controlled.

(2) The pesticide or pesticides proposed to be used, and the active ingredient or ingredients.

(3) "State law requires that you be given the following information: CAUTION—PESTICIDES ARE TOXIC CHEMICALS. Structural Pest Control Operators are licensed and regulated by the Structural Pest Control Board, and apply pesticides which are registered and approved for use by the California Department of Food and Agriculture and the United States Environmental Protection Agency. Registration is granted when the state finds that based on existing scientific evidence there are no appreciable risks if proper use conditions are followed or that the risks are outweighed by the benefits. The degree of risk depends upon the degree of exposure, so exposure should be minimized."

"If within 24 hours following application you experience symptoms

similar to common seasonal illness comparable to the flu, contact your physician or poison control center (telephone number) and your pest control operator immediately." (This statement shall be modified to include any other symptoms of overexposure which are not typical of influenza.)

"For further information, contact any of the following: Your Pest Control Operator (telephone number); for Health Questions—the County Health Department (telephone number); for Application Information—the County Agricultural Commissioner (telephone number) and for Regulatory Information—the Structural Pest Control Board (telephone number and address)."

(b) In the case of Branch 1 applications, the notice, as prescribed by subdivision (a), shall be provided at least 48 hours prior to application unless fumigation follows inspection by less than 48 hours.

In the case of Branch 2 or Branch 3 applications, the notice, as prescribed by subdivision (a) shall be provided no later than prior to application.

In either case, the notice shall be given to the owner, or owner's agent, and tenant, if there is a tenant, in at least one of the following ways:

(1) First-class mail.

(2) Posting in a conspicuous place on the real property.

(3) Personal delivery.

If the building is commercial or industrial, a notice shall be posted in a conspicuous place, unless the owner or owner's agent objects, in addition to any other notification required by this section.

The notice shall only be required to be provided at the time of the initial treatment if a contract for periodic service has been executed. If the pesticide to be used is changed, another notice shall be required to be provided in the manner previously set forth herein.

(c) On or before January 1, 1986, the board shall promulgate appropriate administrative regulations for the implementation of this section.

(d) Any person who violates any provision of this section is guilty of a misdemeanor and is punishable as set forth in Section 8553.

SEC. 3. Section 8565 of the Business and Professions Code is amended to read:

8565. The board shall ascertain by written examination that an applicant for a license as operator is qualified in the use and understanding of all of the following:

(a) The English language, including reading, writing and spelling.

(b) The building and safety laws of the state and any of its political subdivisions, if the branch or branches of pest control for which he is applying, require such knowledge.

(c) The labor laws of the state.

(d) The provisions of this chapter.

(e) Poisonous and other dangerous chemicals used in pest control,

if the branch license or licenses for which he is applying, require such knowledge.

(f) The theory and practice of pest control in the branch or branches thereof for which the applicant desires to be licensed.

(g) Such other state laws, safety or health measures, or practices as are reasonably within the scope of structural pest control in the various branches, including an applicant's knowledge of the requirements regarding health effects and restrictions on applications, as set forth in Section 8538.

SEC. 4. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 460

An act to amend Section 5200 of the Unemployment Insurance Code, relating to the Work Incentive program.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 5200 of the Unemployment Insurance Code is amended to read:

5200. The department, in cooperation with the Secretary of Labor and in consultation with the State Department of Social Services, shall establish work incentive programs as designated in Part C (commencing with Section 430) of Title IV of the Social Security Act, as amended, for persons as described in Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code and such other persons as may be permitted under subdivision (19) of Section 402(a) of the Social Security Act as amended.

CHAPTER 461

An act to amend Section 11580.9 of the Insurance Code, relating to insurance.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 11580.9 of the Insurance Code is amended to read:

11580.9. (a) Where two or more policies affording valid and collectible automobile liability insurance apply to the same motor vehicle in an occurrence out of which a liability loss shall arise, and one policy affords coverage to a named insured engaged in the business of selling, repairing, servicing, delivering, testing, road-testing, parking, or storing motor vehicles, then both of the following shall be conclusively presumed:

(1) If, at the time of loss, the motor vehicle is being operated by any person engaged in any of these businesses, or by his or her employee or agent, the insurance afforded by the policy issued to the person engaged in the business shall be primary, and the insurance afforded by any other policy shall be excess.

(2) If, at the time of loss, the motor vehicle is being operated by any person other than as described in paragraph (1), the insurance afforded by the policy issued to any person engaged in any of these businesses shall be excess over all other insurance available to the operator as a named insured or otherwise.

(b) Where two or more policies apply to the same loss, and one policy affords coverage to a named insured engaged in the business of renting or leasing motor vehicles without operators, it shall be conclusively presumed that the insurance afforded by such policy to a person other than the named insured or his or her agent or employee, shall be excess over and not concurrent with, any other valid and collectible insurance applicable to the same loss covering the person as a named insured or as an additional insured under a policy with limits at least equal to the financial responsibility requirements specified in Section 16056 of the Vehicle Code. The presumption provided by this subdivision shall apply only if, at the time of the loss, the involved motor vehicle either:

(1) Qualifies as a "commercial vehicle" as that term is used in Section 260 of the Vehicle Code.

(2) Has been leased for a term of six months or longer.

(c) Where two or more policies are applicable to the same loss arising out of the loading or unloading of a motor vehicle, and one or more of the policies is issued to the owner, tenant, or lessee of the premises on which the loading or unloading occurs, it shall be conclusively presumed that the insurance afforded by the policy covering the motor vehicle shall not be primary, notwithstanding anything to the contrary in any endorsement required by law to be placed on the policy, but shall be excess over all other valid and collectible insurance applicable to the same loss with limits up to the financial responsibility requirements specified in Section 16056 of the

Vehicle Code; and, in such event, the two or more policies shall not be construed as providing concurrent coverage, and only the insurance afforded by the policy or policies covering the premises on which the loading or unloading occurs shall be primary and the policy or policies shall cover as an additional insured with respect to the loading or unloading operations all employees of the owner, tenant, or lessee while acting in the course and scope of their employment.

(d) Except as provided in subdivisions (a), (b), and (c), where two or more policies affording valid and collectible liability insurance apply to the same motor vehicle or vehicles in an occurrence out of which a liability loss shall arise, it shall be conclusively presumed that the insurance afforded by that policy in which the motor vehicle is described or rated as an owned automobile shall be primary and the insurance afforded by any other policy or policies shall be excess.

(e) Any insurance policy which, under the terms of subdivisions (a) to (d), inclusive, applies as excess coverage may provide with respect to any primary policy or to any loss to which primary insurance is not valid and collectible in whole or in part, that the excess policy shall apply only to the extent necessary to provide the insured with the coverage limits specified in Section 16056 of the Vehicle Code.

(f) The presumptions stated in subdivisions (a) to (d), inclusive, may be modified or amended only by written agreement signed by all insurers who have issued a policy or policies applicable to a loss described in these subdivisions and all named insureds under these policies.

(g) For purposes of this article, a certificate of self-insurance issued pursuant to Section 16053 of the Vehicle Code or a deposit of cash made pursuant to Section 16054.2 of the Vehicle Code or a bond in effect pursuant to Section 16054 of the Vehicle Code or a report filed pursuant to Section 16051 of the Vehicle Code shall be considered a policy of automobile liability insurance.

CHAPTER 462

An act to amend Sections 21460, 21662, and 24008 of the Vehicle Code, relating to vehicles.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 21460 of the Vehicle Code is amended to read:

21460. (a) When double parallel solid lines are in place, no person driving a vehicle shall drive to the left thereof, except as

permitted in this section.

(b) When the double parallel lines, one of which is broken, are in place, no person driving a vehicle shall drive to the left thereof, except as follows:

(1) That the driver on that side of the roadway in which the broken line is in place may cross over the double line or drive to the left thereof when overtaking or passing other vehicles.

(2) As provided in Section 21460.5.

(c) Either of the markings as specified in subdivision (a) or (b) does not prohibit a driver from crossing the marking when (1) turning to the left at any intersection or into or out of a driveway or private road, or (2) making a U-turn under the rules governing that turn, and either of the markings shall be disregarded when authorized signs have been erected designating offcenter traffic lanes as permitted under Section 21657.

(d) Raised pavement markers may be used to simulate painted lines described in this section when the markers are placed in accordance with standards established by the Department of Transportation.

SEC. 2. Section 21662 of the Vehicle Code is amended to read:

21662. The driver of a motor vehicle traveling through defiles or canyons or upon mountain highways shall hold the motor vehicle under control at all times and shall do the following when applicable:

(a) If the roadway has no marked centerline, the driver shall drive as near the right-hand edge of the roadway as is reasonably possible.

(b) If the roadway has insufficient width to permit a motor vehicle to be driven entirely to the right of the center of the roadway, the driver shall give audible warning with the horn of the motor vehicle upon approaching any curve where the view is obstructed within a distance of 200 feet along the highway.

SEC. 3. Section 24008 of the Vehicle Code is amended to read:

24008. It is unlawful to operate any passenger vehicle, or commercial vehicle under 6,000 pounds, which has been modified from the original design so that any portion of the vehicle, other than the wheels, has less clearance from the surface of a level roadway than the clearance between the roadway and the lowermost portion of any rim of any wheel in contact with the roadway.

SEC. 4. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 463

An act to add Section 4800.7 to the Civil Code, relating to family law.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 4800.7 is added to the Civil Code, to read:

4800.7. (a) As used in this section, "family home award" means an order that awards temporary use of the family home to the party having custody of minor children in order to minimize the adverse impact of dissolution or legal separation on the welfare of the children.

(b) Except as otherwise agreed to by the parties in writing:

(1) A family home award may be modified or terminated at any time at the discretion of the court.

(2) If the party awarded the temporary use of the family home remarries, or there is otherwise a change in circumstances affecting the economic status of the parties or the children on which the award is based, a rebuttable presumption, affecting the burden of proof, is created that further delay in the sale of the family home and division of the proceeds of the sale is no longer an equitable method of minimizing the adverse impact of the dissolution or legal separation on the welfare of the children.

(c) The provisions of this section shall be applicable regardless of whether the family home award is made before or after January 1, 1985.

CHAPTER 464

An act to amend Section 1611 of the Penal Code, relating to parole.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1611 of the Penal Code is amended to read:

1611. Persons committed to a state hospital or other inpatient treatment facility under the provisions of Section 1026 may be placed on parole supervision in accordance with the following provisions:

(a) (1) Whenever any person has been confined in a state hospital or other treatment facility for 90 days or more, after having been committed to a state hospital or other facility under the provisions of Section 1026 in a criminal proceeding in which the

offense alleged to have been committed by such person was punishable by a penalty other than death, or for three years or more if the offense alleged to have been committed was punishable by death, and the medical director of the state hospital or other facility is of the opinion that the person has improved to such an extent that the person is no longer a danger to the health and safety of others while on parole and that the person will receive benefit from parole, the medical director may certify that opinion to the committing court. The certification shall be accompanied by a parole supervision plan in which the medical director designates an individual or agency who will act as supervisor of the paroled person and in which the medical director sets forth specific terms and conditions to be followed during parole supervision.

(2) The court shall notify the prosecuting attorney and the attorney of record for the person of the certification and shall make the parole supervision plan available to them at least 15 days in advance of hearing. The court shall hold a hearing in open court prior to ordering parole supervision, and shall either approve or disapprove the plan. If the approval of the court is given, parole shall be granted subject to the terms and conditions set forth in the parole supervision plan submitted by the medical director of the state hospital or other treatment facility. The court shall transmit a copy of its order to the medical director and to the Director of Mental Health. If the court disapproves of such recommendation, no further recommendation for parole shall be made by the medical director until six months have elapsed from the date of the last preceding recommendation.

(3) At 90-day intervals following the beginning of parole supervision, the parole supervisor shall submit a written report to the state hospital or other inpatient treatment facility from which the person was placed in parole supervision setting forth the status and progress of the person. The medical director shall continue to submit reports to the court at six-month intervals pursuant to Section 1026.

(4) The maximum period of parole supervision shall not exceed one year. The court shall, at the end of such maximum period, hold a hearing and either renew its approval for additional parole supervision upon the recommendation of the medical director of the state hospital or other facility from which the person was paroled, discharge the person from the commitment pursuant to Section 1026.2, or direct that the person be returned to the state hospital or other facility. The court shall transmit a copy of its order to the medical director of the state hospital or other facility and to the Director of Mental Health.

(b) If at any time during the period of parole the supervisor of the paroled person is of the opinion that the person no longer meets the conditions of parole and needs extended inpatient treatment, or that the person refuses to accept parole supervision, this information shall be communicated to the medical director of the inpatient facility from which the person was paroled, or a designee. If the medical

director or a designee concurs, the parole supervisor shall notify the paroled person, the committing court, the prosecuting attorney, and the attorney of record for the person, of the intent to return the person to an inpatient facility. Such notice shall be in writing and shall state the reasons for the transfer. Within 15 judicial days after the notice has been served on the paroled person, the court shall set a hearing at which the court shall determine whether the transfer will be approved or disapproved.

(c) (1) Upon the filing of a request for revocation of parole status, and pending the court's decision on revocation, the person subject to revocation may be confined in a state hospital or other treatment facility by the parole supervisor when it is the parole supervisor's opinion that the person will now be a danger to himself or herself or to another while on parole status and that to delay hospitalization until the revocation hearing would pose an imminent risk of harm to the person or to another. Upon the request of the parole supervisor, a peace officer shall take, or cause to be taken, the person into custody and transport the person to a treatment facility for hospitalization under this section. The parole supervisor shall notify the court in writing of the admission of the person to inpatient status and of the factual basis for the opinion that such immediate return to inpatient treatment was necessary. The court shall supply a copy of these documents to the prosecutor and defense counsel.

(2) A person hospitalized under this subdivision shall have the right to judicial review of the detention in the manner prescribed in Article 5 (commencing with Section 5275) of Chapter 2 of Part 1 of Division 5 of the Welfare and Institutions Code and to an explanation of rights in the manner prescribed in Section 5252.1 of the Welfare and Institutions Code.

(3) Nothing in this subdivision shall prevent hospitalization pursuant to the provisions of Section 5150, 5250, 5350, or 5353 of the Welfare and Institutions Code.

(4) A person whose return from parole status to an inpatient facility is approved under this subdivision shall not be released again on parole unless court approval is again obtained pursuant to subdivision (a).

CHAPTER 465

An act to amend Sections 12751 and 12752 of the Public Utilities Code, relating to municipal utility districts.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 12751 of the Public Utilities Code is amended to read:

12751. The purchase of all supplies and materials, when the expenditure required exceeds twenty thousand dollars ($20,000), shall be by contract let to the lowest responsible bidder. Notice requesting bids shall be published pursuant to Section 6061 of the Government Code at least 10 days before bids are received. The district may reject any and all bids and readvertise in its discretion. The board may authorize the general manager to determine, in the discretion of the general manager, whether to reject all bids and whether, after the bids have been rejected, to readvertise.

SEC. 2. Section 12752 of the Public Utilities Code is amended to read:

12752. If after the bids have been rejected, the board determines and declares by a four-fifths vote of all the members of a five-ward district, or by a five-sevenths vote of all the members of a seven-ward district, that in its opinion the materials and supplies may be purchased at a lower price in the open market, the board may proceed, or may authorize the general manager to proceed, to purchase the supplies and materials in the open market without further observance of the provisions requiring contracts, bids, or notice.

CHAPTER 466

An act to amend Section 39834 of the Education Code, relating to schools.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 39834 of the Education Code is amended to read:

39834. (a) Except as provided in subdivision (b), any officer, agent, or employee of a school district, office of the county superintendent of schools, or joint powers agency, or any other person, knowingly operating, or permitting or directing the operation of a schoolbus, when it is loaded with schoolchildren in excess of the limits of its seating capacity, is guilty of a misdemeanor.

(b) The governing board of any school district, office of the county superintendent of schools, or joint powers agency may adopt a district policy establishing plans for the evacuation of pupils in case of any emergency which may provide, where necessary, for the loading of schoolchildren on a schoolbus in excess of the limits of its

seating capacity.

(c) As used in this subdivision, "emergency" means a natural disaster or hazard which requires that pupils be moved immediately in order to ensure their safety.

CHAPTER 467

An act to amend Section 21201 of the Financial Code, relating to pawnbroker loans.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 21201 of the Financial Code is amended to read:

21201. Every loan made by a pawnbroker for which goods are received in pledge as security shall be evidenced by a written contract a copy of which shall be furnished to the borrower. The loan contract shall set forth the loan period and the date on which the loan is due and payable, and shall clearly inform the borrower of his or her right to redeem the pledge during the redemption period.

Every pawnbroker shall retain in his or her possession, after the date on which the loan became due and payable, clothing and furs pledged to him or her for a period of four months, and every other article pledged to him or her for a period of six months. During such periods the borrower may redeem the articles upon payment of the loan and interest charges.

If any pledged article is not redeemed during the four- or six-month redemption period as provided herein, and the borrower and pawnbroker do not mutually agree in writing to extend the redemption period, the pawnbroker shall notify the borrower within 30 days after expiration of the redemption period. The pawnbroker shall notify the borrower either by registered mail, or by certified mail, or by regular mail for which a certificate of mailing is issued by the United States Postal Service addressed to his or her last known address of the termination of the redemption period, and extending the right of redemption for a period of 10 days from date of mailing of such notice.

However, the posted schedule of charges required pursuant to Section 21200.5 shall contain a notice informing the borrower that if he or she desires, the pawnbroker shall send the notice of termination of the redemption period by registered or certified mail with return receipt requested, upon prepayment of the mailing costs. The schedule of charges shall contain the notice no later than January 1, 1986. If any pledged article is not redeemed within the 10-day period, the pawnbroker shall become vested with all right,

title, and interest of the pledgor, or his or her assigns, to the pledged article, to hold and dispose of as his or her own property. Any other provision of law relating to the foreclosure and sale of pledges shall not be applicable to any pledge the title to which is transferred in accordance with this section. The pawnbroker shall not sell any article of pledged property until he or she has become vested with the title to that property pursuant to this section. The sale of pledged property is a misdemeanor pursuant to Section 21209.

CHAPTER 468

An act to amend Section 31149.3 of the Water Code, relating to county water districts.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 31149.3 of the Water Code is amended to read:

31149.3. (a) The North Marin County Water District may construct, maintain, and operate one or more plants for the generation of power from wind or solar radiation, and the transmission lines for the conveyance thereof, and in connection therewith shall have all the powers set forth in this article for the generation of hydroelectric power.

(b) Notwithstanding Section 31149.1, the North Marin County Water District may use any water for the generation of hydroelectric power subject, however, to any limitations or provisions contained in Section 106.7, Part 2 (commencing with Section 1200) of Division 2, or any other provisions of law. The hydroelectric power shall be developed so as to meet the direct and indirect energy requirements of the district for the proper operation of the district's water storage, transmission, and distribution system.

(c) The authority contained in subdivision (b), in the case of sole projects of the North Marin County Water District, may only be exercised by the district if the project is approved by the board of supervisors of the county in which the project is located or, in the case of joint projects, may only be exercised by the district if the project is approved by contract with the public agency acting as lead agency on the project.

SEC. 2. The North Marin County Water District has an opportunity to develop a unique source of hydroelectric power. This opportunity to develop hydroelectric power is special to the North Marin County Water District and not common to other county water districts. The Legislature therefore finds and declares that a special law is necessary with respect to the North Marin County Water

District, that the provisions of Section 1 of this act are needed to meet the special circumstances within the district, and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

CHAPTER 469

An act to add Section 20205.6 to the Government Code, relating to public employees, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. During the period that legislative employees do not receive any increase in compensation due to mitigating factors related to implementation of Proposition 24 on the June 5, 1984 Direct Primary Election ballot, the Department of Personnel Administration shall not increase the compensation of employees of the Legislative Counsel Bureau. However, in lieu of the increase in compensation, the appointing authority of the employees of the Legislative Counsel Bureau may reduce the workweek of the employees of the bureau during that period without a reduction in salary so that it is comparable to the workweek of legislative employees.

SEC. 2. Section 20205.6 is added to the Government Code, to read:

20205.6. The board has exclusive control of the investment of the retirement fund. Except as otherwise restricted by the California Constitution and by law, the board may, in its discretion, invest the assets of the fund through the purchase, holding, or sale thereof of any investment, financial instrument, or financial transaction when the investment, financial instrument, or financial transaction is prudent in the informed opinion of the board.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

This bill adds significant fiscal and substantive changes to existing provisions relating to public employees. In order to make these changes at the earliest possible time, it is necessary that this act take immediate effect.

CHAPTER 470

An act relating to parks and recreation.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. (a) The Director of General Services, with the approval of the Director of Parks and Recreation, shall exchange the approximately 80 acres of real property specified in Chapter 446 of the Statutes of 1981 to the East Bay Regional Park District as an addition to the Claremont Canyon Regional Preserve for the transfer to the state of all right, title, and interest in and to approximately 350 acres owned by the district and located adjacent to Mt. Diablo State Park as an addition to that park. Prior to approving the exchange, the Director of Parks and Recreation shall certify that the lands to be received by the state are of equal or greater value and benefit to the state park system than the lands to be exchanged.

(b) If the 80 acres of state land is not transferred to the East Bay Regional Park District pursuant to subdivision (a) by January 1, 1986, that land shall be leased to the district pursuant to Section 2 of Chapter 446 of the Statutes of 1981.

CHAPTER 471

An act to amend Section 19825 of the Government Code, relating to state employees.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 19825 of the Government Code is amended to read:

19825. (a) Notwithstanding any other provision of law, whenever any state agency is authorized by special or general statute to fix the salary or compensation of an employee or officer, which salary is payable in whole or in part out of state funds, the salary is subject only to the approval of the department before it becomes effective and payable, except as provided in subdivision (b). The Legislature may expressly provide that approval of the department is not required.

(b) Whenever any state court or other judicial agency is authorized by statute to fix the salary of an employee or officer who is exempt from civil service under subdivision (b) of Section 4 of

Article VII of the Constitution, the salary is subject to the approval of the Chairman of the Judicial Council before it becomes effective and payable.

CHAPTER 472

An act to amend Sections 12154, 12155, and 12158.5 of, and to add Sections 7149.3 and 12155.5 to, the Fish and Game Code, relating to fish and game.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1 Section 7149.3 is added to the Fish and Game Code, to read:

7149.3. Notwithstanding Section 7149, a sport fishing license is not required for any resident to take any rattlesnake (genus Crotalus or Sistrurus).

SEC. 2. Section 12154 of the Fish and Game Code is amended to read:

12154. Upon the third conviction of any person of a violation of any provision of this code or regulation adopted pursuant thereto relating to the taking or possession of fish, reptiles, or amphibia, or parts thereof, in any five-year period, and upon any conviction subsequent to the three convictions during a five-year period, that person shall be prohibited from taking any fish, reptiles, or amphibia in the state for three years from the date of the last conviction. The commission shall revoke the sport fishing license of the person who is prohibited from taking fish, reptiles, or amphibia in this state, if he or she has one, for the period of prohibition.

It shall be unlawful for any person to obtain, or attempt to obtain, a sport fishing license during a period of prohibition.

SEC. 3. Section 12155 of the Fish and Game Code is amended to read:

12155. Upon the third conviction of any person of a violation of any provision of this code or regulation adopted pursuant thereto relating to the taking or possession of birds or mammals, or parts thereof, in any five-year period, and upon any conviction subsequent to the three convictions during a five-year period, that person shall be prohibited from taking any birds or mammals in the state for three years from the date of the last conviction. The commission shall revoke the hunting license of the person who is prohibited from taking birds or mammals in this state, if he or she has one, for the period of prohibition.

It shall be unlawful for any person to obtain, or attempt to obtain, a hunting license during a period of prohibition.

SEC. 4. Section 12155.5 is added to the Fish and Game Code, to read:

12155.5. (a) Any person, whose license was revoked pursuant to Section 12154 or 12155, may appeal to the commission for reissuance of the license and termination of the prohibition against taking of fish, reptiles, or amphibia, or birds or mammals, as the case may be.

(b) After a public hearing at which the person has appeared in person, the commission may terminate the prohibition and authorize the issuance of a license if it finds that there are sufficient mitigating circumstances to warrant that action.

SEC. 5. Section 12158.5 of the Fish and Game Code is amended to read:

12158.5. For the purpose of invoking any provision of this code, or any rule, regulation, or order made or adopted under this code, relating to the suspension, revocation, or forfeiture of any license or permit, a plea of nolo contendere or "no contest" to, or forfeiture of bail from, a charge of a violation of any provision of this code, or any rule, regulation, or order made or adopted under this code, is a conviction of a violation thereof.

SEC. 6. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 473

An act to amend Sections 14233 and 14402 of, and to add Section 14400.1 to, the Elections Code, relating to elections.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 14233 of the Elections Code is amended to read:

14233. On receiving a ballot the voter shall forthwith retire alone to one of the booths or compartments provided, and mark the ballot, unless Section 14400.1 or 14402 is applicable.

SEC. 2. Section 14400.1 is added to the Elections Code, to read:

14400.1. Nothing contained in this code shall prevent a voter from being accompanied by a child or children who are under the age of 13 years while the voter is within the voting booth area provided that (1) the child or children are under the voter's care and

(2) the voter is unable to find an alternative method of temporary care for the child or children during the time that the voter is voting.

SEC. 3. Section 14402 of the Elections Code is amended to read:

14402. Except as provided in Section 14400.1, voting booths or compartments shall not be occupied by more than one person at a time, unless the voter is eligible under the assisted-voter provisions. Voters shall not remain in or occupy the booths or compartments longer than is necessary to mark their ballots, which shall not exceed 10 minutes; provided, however, that where no other voter would be inconvenienced, a longer period shall be allowed.

CHAPTER 474

An act to amend Sections 15622, 15642, 15662, and 15666 of the Corporations Code, relating to limited partnerships, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 15622 of the Corporations Code is amended to read:

15622. (a) A certificate of limited partnership is amended by filing a certificate of amendment thereto executed and acknowledged by all general partners (unless a lesser number is provided in the certificate of limited partnership) in the office of, and on a form prescribed by, the Secretary of State. The certificate of amendment shall set forth all of the following:

(1) The name and the Secretary of State's file number of the limited partnership.

(2) The text of the amendment to the certificate.

(b) The general partners shall cause to be filed, within 30 days after the happening of any of the following events, an amendment to a certificate of limited partnership reflecting the occurrence of any of the following events:

(1) A change in name of the limited partnership.

(2) A change in either of the following:

(A) The street address of the principal executive office.

(B) If the principal executive office is not in this state, the street address of an office in this state.

(3) A change in the address of or the withdrawal of a general partner, or a change in the address of the agent for service of process, unless a corporate agent is designated, or appointment of a new agent for service of process.

(4) The admission of a general partner and that partner's address.

(5) The discovery by any of the general partners of any false or

erroneous material statement contained in the certificate or any amendment thereto.

(c) A certificate of limited partnership may also be amended at any time in any other respect that the general partners determine.

(d) Any general partner, or any limited partner executing a certificate pursuant to Section 15633 or a certificate of amendment pursuant to Section 15625 or a certificate of dissolution pursuant to paragraph (1) of subdivision (a) of Section 15623 or a certificate of cancellation of certificate of limited partnership pursuant to paragraph (1) of subdivision (b) of Section 15623, shall be liable for any statement materially inconsistent with the partnership agreement or any material misstatement of fact contained in the certificate or the certificate of amendment if the partner knew or should have known that the statement was false when made or became false and an amendment required by subdivision (b) was not filed, and the person suffering the loss relied on the statement or misstatement.

(e) Except as otherwise provided in Section 15642, no person has any liability because an amendment to a certificate of limited partnership has not been filed to reflect the occurrence of any event referred to in subdivision (b) if the amendment is filed within the time specified in subdivision (b).

(f) Except as provided in subdivision (d), no limited partner shall incur any liability for any misstatement contained in the certificate or for the failure to file an amendment to a certificate of limited partnership pursuant to subdivision (b).

SEC. 2. Section 15642 of the Corporations Code is amended to read:

15642. A person ceases to be a general partner of a limited partnership upon the happening of any of the following events:

(a) The general partner withdraws from the limited partnership.

(b) The general partner is removed as a general partner.

(c) Unless otherwise provided in the partnership agreement, an order for relief against the general partner is entered under Chapter 7 of the federal bankruptcy law, or the general partner: (1) makes a general assignment for the benefit of creditors, (2) files a voluntary petition under the federal bankruptcy law, (3) files a petition or answer seeking for that partner any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law, or regulation, (4) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against that partner in any proceeding of this nature, or (5) seeks, consents to, or acquiesces in the appointment of a trustee, receiver, or liquidator of the general partner or of all or any substantial part of that partner's properties.

(d) Unless otherwise provided in the partnership agreement, 60 days after the commencement of any proceeding against the general partner seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any

statute, law, or regulation, the proceeding has not been dismissed, or if within 60 days after the appointment without that partner's consent or acquiescence of a trustee, receiver, or liquidator of the general partner or of all or any substantial part of that partner's properties, the appointment is not vacated or stayed, or within 60 days after the expiration of any such stay, the appointment is not vacated.

(e) In the case of a general partner who is an individual, either of the following:

(1) The death of that partner.

(2) The entry by a court of competent jurisdiction of an order adjudicating the partner incompetent to manage the general partner's person or estate.

(f) Unless otherwise provided in the partnership agreement, in the case of a general partner who is acting as a general partner by virtue of being a trustee of a trust, the termination of the trust (but not merely the substitution of a new trustee, in which case the new trustee automatically becomes the new general partner).

(g) Unless otherwise provided in the partnership agreement, in the case of a general partner that is a separate partnership, the dissolution of the separate partnership.

(h) In the case of a general partner that is a corporation, the filing of a certificate of dissolution, or its equivalent, for the corporation.

(i) In the case of a general partner that is an estate, the distribution by the fiduciary of the estate's entire interest in the limited partnership.

Notwithstanding the provisions of this section, a person who ceases to be a general partner of a limited partnership, shall be deemed to be acting as a general partner with respect to a third party doing business with the limited partnership, until an amended certificate of limited partnership is filed with the Secretary of State pursuant to Section 15622.

SEC. 3. Section 15662 of the Corporations Code is amended to read:

15662. (a) A general partner may withdraw from a limited partnership at any time by giving written notice to the other partners, but if the withdrawal violates the partnership agreement the limited partnership may recover from the withdrawing general partner damages for breach of the partnership agreement and, in addition to any other remedies, shall have the right to offset the damages against any amounts otherwise distributable to the general partner. Unless otherwise provided in the partnership agreement, in the case of a partnership for a fixed term, a withdrawal by a general partner prior to the expiration of that term is a breach of the partnership agreement.

(b) Unless otherwise provided in the partnership agreement, and subject to the liability created under subdivision (a), a general partner who ceases to be a general partner under Section 15642 shall:

(1) Retain the same interest in that partner's capital account,

profits, losses, and distributions, but that interest shall be that of a limited partner.

(2) Not be personally liable for partnership debts incurred after the person ceases to be a general partner, other than any debts incurred by reason of that person's being deemed to be acting as a general partner, pursuant to Section 15642.

(3) Be entitled to vote as a limited partner on all matters except the admission and compensation of a general partner.

(4) Have the partner's interest in profits, losses, and distributions reduced pro rata with all other partners to provide compensation, or an interest in the partnership, or both, to a new general partner.

SEC. 4. Section 15666 of the Corporations Code is amended to read:

15666. A partner is obligated to return a distribution from a limited partnership to the extent that, immediately after giving effect to the distribution, and notwithstanding the compromise of a claim referred to in subdivision (c) of Section 15636, all liabilities of the limited partnership, other than liabilities to partners on account of their interest in the limited partnership and liabilities as to which recourse of creditors is limited to specified property of the limited partnership, exceed the fair value of the partnership assets, provided that the fair value of any property that is subject to a liability as to which recourse of creditors is so limited shall be included in the partnership assets only to the extent that the fair value of the property exceeds this liability.

SEC. 5. This act shall become operative on July 1, 1984.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

The California Revised Limited Partnership Act (Act), as added by Chapter 1223 of the Statutes of 1983, becomes operative on July 1, 1984. The technical amendments to this act made by this bill will directly affect interpretations and application of this new law as it relates to third party dealings with, and distributions of assets of, limited partnerships. In order to preserve the rights of California citizens dealing with and participating in, limited partnerships operating under the act, it is essential that this act take effect immediately.

CHAPTER 475

An act to amend Sections 241 and 243 of the Penal Code, relating to crimes.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 241 of the Penal Code is amended to read:

241. (a) An assault is punishable by a fine not exceeding one thousand dollars ($1,000), or by imprisonment in the county jail not exceeding six months, or by both such fine and imprisonment.

(b) When an assault is committed against the person of a peace officer, firefighter, emergency medical technician, mobile intensive care paramedic, or lifeguard, engaged in the performance of his or her duties, or a physician or nurse engaged in rendering emergency medical care outside a hospital, clinic, or other health care facility, and the person committing the offense knows or reasonably should know that such victim is a peace officer, firefighter, emergency medical technician, mobile intensive care paramedic, or lifeguard, engaged in the performance of his or her duties, or a physician or nurse engaged in rendering emergency medical care, the assault is punishable by a fine not exceeding two thousand dollars ($2,000), or by imprisonment in the county jail not exceeding one year, or by both such fine and imprisonment.

(c) As used in this section:

(1) Peace officer means any person defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

(2) "Emergency medical technician" means a person possessing a valid course completion certificate from a program approved by the State Department of Health Services for the medical training and education of ambulance personnel, and who meets the standards of Division 2.5 (commencing with Section 1797) of the Health and Safety Code.

(3) "Mobile intensive care paramedic" refers to those persons who meet the standards set forth in Section 1481 of, and Division 2.5 (commencing with Section 1797) of, the Health and Safety Code.

(4) "Nurse" means a person who meets the standards of Division 2.5 (commencing with Section 1797) of the Health and Safety Code.

(5) "Lifeguard" means a person who is:

(A) Employed as a lifeguard by the state, a county, city or county, and is designated by local ordinance as a public officer who has a duty and responsibility to enforce local ordinances and misdemeanors through the issuance of citations.

(B) Wearing distinctive clothing which includes written identification of the person's status as a lifeguard and which clearly identifies the employing organization.

SEC. 2. Section 243 of the Penal Code is amended to read:

243. (a) A battery is punishable by a fine of not exceeding two thousand dollars ($2,000), or by imprisonment in the county jail not exceeding six months, or by both such fine and imprisonment.

(b) When a battery is committed against the person of a peace

officer, custodial officer, firefighter, emergency medical technician, mobile intensive care paramedic, or lifeguard, engaged in the performance of his or her duties, whether on or off duty, including when the peace officer is in a police uniform and is concurrently performing the duties required of him or her as a peace officer while also employed in a private capacity for a public entity as a part-time or casual private security guard or patrolman, or a physician or nurse engaged in rendering emergency medical care outside a hospital, clinic, or other health care facility, and the person committing the offense knows or reasonably should know that such victim is a peace officer, custodial officer, firefighter, emergency medical technician, mobile intensive care paramedic, or lifeguard, engaged in the performance of his or her duties, or a physician or nurse engaged in rendering emergency medical care, the battery is punishable by a fine not exceeding two thousand dollars ($2,000), or by imprisonment in the county jail not exceeding one year, or by both such fine and imprisonment.

(c) When a battery is committed against a peace officer, custodial officer, firefighter, emergency medical technician, mobile intensive care paramedic, or lifeguard, engaged in the performance of his or her duties, whether on or off duty, including when the peace officer is in a police uniform and is concurrently performing the duties required of him or her as a peace officer while also employed in a private capacity for a public entity as a part-time or casual private security guard or patrolman, or a physician or nurse engaged in rendering emergency medical care outside a hospital, clinic, or other health care facility, and the person committing the offense knows or reasonably should know that such victim is a peace officer, custodial officer, firefighter, emergency medical technician, mobile intensive care paramedic, or lifeguard, engaged in the performance of his or her duties, or a physician or nurse engaged in rendering emergency medical care, and an injury is inflicted on that victim, the battery is punishable by imprisonment in the county jail for a period of not more than one year, or by a fine of not more than two thousand dollars ($2,000), or by imprisonment in the state prison for 16 months, or two or three years.

(d) When a battery is committed against any person and serious bodily injury is inflicted on the person, the battery is punishable by imprisonment in the county jail for a period of not more than one year or imprisonment in the state prison for two, three, or four years.

(e) As used in this section:

(1) "Peace officer" means any person defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2.

(2) "Emergency medical technician" means a person possessing a valid course completion certificate from a program approved by the State Department of Health Services for the medical training and education of ambulance personnel, and who meets the standards of Division 2.5 (commencing with Section 1797) of the Health and Safety Code.

(3) "Mobile intensive care paramedic" means any person who meets the standards set forth in Section 1481 of, and Division 2.5 (commencing with Section 1797) of, the Health and Safety Code.

(4) "Nurse" means a person who meets the standards of Division 2.5 (commencing with Section 1797) of the Health and Safety Code.

(5) "Serious bodily injury" means a serious impairment of physical condition, including, but not limited to, the following: loss of consciousness; concussion; bone fracture; protracted loss or impairment of function of any bodily member or organ; a wound requiring extensive suturing; and serious disfigurement.

(6) "Injury" means any physical injury which requires professional medical treatment.

(7) "Custodial officer" means any person who has the responsibilities and duties described in Section 831 and who is employed by a law enforcement agency of any city or county or who performs those duties as a volunteer.

(8) "Lifeguard" means a person defined in paragraph (5) of subdivision (c) of Section 241.

It is the intent of the Legislature by amendments to this section at the 1981–82 Regular Session to abrogate the holdings in cases such as People v. Corey, 21 Cal. 3d 783, and Cervantez v. J.C. Penney Co., 24 Cal. 3d 579, and to reinstate prior judicial interpretations of this section as they relate to criminal sanctions for battery on peace officers who are employed, on a part-time or casual basis, by a public entity, while wearing a police uniform as private security guards or patrolmen and to allow the exercise of peace officer powers concurrently with such employment.

SEC. 3. No appropriation is made and no reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution or Section 2231 or 2234 of the Revenue and Taxation Code because the only costs which may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, changes the definition of a crime or infraction, changes the penalty for a crime or infraction, or eliminates a crime or infraction.

CHAPTER 476

An act to amend Sections 1822.51 and 1822.54 of, and to add Section 1822.59 to, the Code of Civil Procedure, relating to inspection warrants.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds that quick action is often required to eradicate animal or plant pests or diseases in urban as well as rural areas, and that the expeditious issuance of inspection warrants may be necessary for that purpose. It is the intent of the Legislature that these warrants be issued pursuant to the provisions of Title 13 (commencing with Section 1822.50) of Part 3 of the Code of Civil Procedure, and that nothing in this act shall be construed as attempting to modify any requirement in existing law that a particular warrant be issued only on a showing of probable cause.

SEC. 2. Section 1822.51 of the Code of Civil Procedure is amended to read:

1822.51. An inspection warrant shall be issued upon cause, unless some other provision of state or federal law makes another standard applicable. An inspection warrant shall be supported by an affidavit, particularly describing the place, dwelling, structure, premises, or vehicle to be inspected and the purpose for which the inspection is made. In addition, the affidavit shall contain either a statement that consent to inspect has been sought and refused or facts or circumstances reasonably justifying the failure to seek such consent.

SEC. 3. Section 1822.54 of the Code of Civil Procedure is amended to read:

1822.54. If the judge is satisfied that the proper standard for issuance of the warrant has been met, he or she shall issue the warrant particularly describing each place, dwelling, structure, premises, or vehicle to be inspected and designating on the warrant the purpose and limitations of the inspection, including the limitations required by this title.

SEC. 4. Section 1822.59 is added to the Code of Civil Procedure, to read:

1822.59. (a) Notwithstanding the provisions of Section 1822.54, for purposes of an animal or plant pest or disease eradication effort pursuant to Division 4 (commencing with Section 5001) or Division 5 (commencing with Section 9101) of the Food and Agricultural Code, the judge may issue a warrant under the requirements of this title describing a specified geographic area to be inspected by authorized personnel of the Department of Food and Agriculture.

(b) A warrant issued pursuant to this section may only authorize the inspection of the exterior of places, dwellings, structures, premises or vehicles, and only in areas urban in character. The warrant shall state the geographical area which it covers and the purpose of and limitations on the inspection.

(c) A warrant may be issued pursuant to this section whether or not the property owners in the area have refused to consent to the inspection. A peace officer may use reasonable force to enter a property to be inspected if so authorized by the warrant.

CHAPTER 477

An act to amend Section 15009 and 15010 of, and to add Section 15010.7 to, the Corporations Code, relating to partnerships.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 15009 of the Corporations Code is amended to read:

15009. (1) Every partner is an agent of the partnership for the purpose of its business, and the act of every partner, including the execution in the partnership name of any instrument, for apparently carrying on in the usual way the business of the partnership of which he is a member binds the partnership, unless the partner so acting has in fact no authority to act for the partnership in the particular matter, and the person with whom he is dealing has knowledge of the fact that he has no such authority. For purposes of this subdivision, "knowledge" includes constructive notice pursuant to Section 15010.7.

(2) An act of a partner which is not apparently for carrying on of the business of the partnership in the usual way does not bind the partnership unless authorized by the other partners.

(3) Unless authorized by the other partners or unless they have abandoned the business, one or more but less than all the partners have no authority to:

(a) Assign the partnership property in trust for creditors or on the assignee's promise to pay the debts of the partnership.

(b) Dispose of the goodwill of the business.

(c) Do any other act which would make it impossible to carry on the ordinary business of a partnership.

(d) Confess a judgment.

(e) Submit a partnership claim or liability to arbitration or reference.

(4) No act of a partner in contravention of a restriction on authority shall bind the partnership to persons having knowledge of the restriction.

SEC. 2. Section 15010 of the Corporations Code is amended to read:

15010. (1) Where title to real property is in the partnership name, any partner may convey title to such property by a conveyance executed in the partnership name; but the partnership may recover such property unless the partner's act binds the partnership under the provisions of subdivision (1) of Section 15009, or unless such property has been conveyed to a bona fide purchaser for value without knowledge that the partner in executing the conveyance has exceeded his authority. For purposes of this

subdivision, "knowledge" includes constructive notice pursuant to Section 15010.7.

(2) Where title to real property is in the name of the partnership, a conveyance executed by a partner, in his own name, passes the equitable interest of the partnership, provided the act is one within the authority of the partner under the provisions of subdivision (1) of Section 15009.

(3) Where title to real property is in the name of one or more of the partners, whether or not the record discloses the right of the partnership, the partners in whose name the title stands may convey title to such property, but the partnership may recover such property unless the partner's act binds the partnership under the provisions of subdivision (1) of Section 15009, or unless the property has been conveyed to a bona fide purchaser for value without knowledge that the partner in executing the conveyance has exceeded his authority.

(4) Where the title to real property is in the name of one or more or all the partners, or in a third person in trust for the partnership, a conveyance executed by a partner in the partnership name, or in his own name, passes the equitable interest of the partnership, provided the act is one within the authority of the partner under the provisions of subdivision (1) of Section 15009.

(5) Where the title to real property is in the names of all the partners a conveyance executed by all the partners passes all their rights in such property.

SEC. 3. Section 15010.7 is added to the Corporations Code, to read:

15010.7. A statement of partnership, as authorized in Section 15010.5, may also contain restrictions upon the authority of individual partners to convey, encumber, or transfer interest in partnership real property, so long as it is otherwise valid under the law, and it is signed, acknowledged, and verified by all of the partners.

Such a statement, provided that it is signed, acknowledged, and verified by all of the partners, and so long as title to the real property appears in the partnership name or otherwise indicates ownership by the partnership, shall constitute constructive notice of the contents of the restrictions and shall be conclusive as to any real property located in each county in which such a statement, or certified copy thereof, is duly recorded. Such a statement shall remain effective until there is recorded, with respect to the same partnership, a subsequent statement of partnership, signed, acknowledged, and verified by all of the parties, as provided in Section 15010.5.

CHAPTER 478

An act to amend Sections 15330 and 15333 of, to add Section 15336.3 to, and to add and repeal Article 4.5 (commencing with Section 15355) to Chapter 1 of Part 6.7 of Division 3 of Title 2 of, the Government Code, relating to state government, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 16, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares as follows:

(a) California is a world economic power, with its economy ranking in the top 10 of the nations of the world.

(b) California's economy is mature and diversified, with leading industries in agriculture, tourism, high technology, aerospace, and manufacturing.

(c) One of the state's greatest economic assets is its work force which is known for its high level of skills and productivity.

(d) The state's world-renowned public and private educational institutions are a great asset of California along with its resources, transportation system, markets, and high quality of life.

(e) California's position on the Pacific Rim has already made it a leading trade partner, particularly with Japan, and the role of international trade in the state's economy will continue to increase.

(f) Although California has led the nation in job growth and is projected to continue its leadership in economic development, an increasing number of Californians will be without work unless additional jobs are created beyond the state's projected growth.

(g) Several other states have initiated industrial promotion and development programs, many of which have been successful in attracting and retaining industry.

(h) California could improve its retention and attraction of industry and jobs if the state improved the marketing of its superior assets and affordable locations.

(i) There is a need for the state to create an industrial marketing program that will provide accurate information on the advantages and opportunities for conducting business in the state.

(j) Local government should be integrally involved in the state industrial marketing program because of the extensive role of local government in economic development decisions.

SEC. 2. By this act, the Legislature intends to accomplish all of the following:

(a) Reaffirm the commitment of the executive and legislative branches of government to foster a positive climate for business to expand or locate in the state.

(b) Adequately research the most effective methods for

California to improve its business attraction and retention strategies.

(c) Create additional jobs for Californians by increasing the number of firms which choose to locate or expand in the state rather than in other states of the nation which are actively competing for them.

(d) Enhance the linkage and information exchange between state and local economic development efforts.

(e) Provide greater opportunities for economically distressed areas of the state, particularly in nonmetropolitan regions, to benefit from the state's industrial attraction efforts.

SEC. 3. Section 15330 of the Government Code is amended to read:

15330. The Department of Economic and Business Development shall be the principal state agency responsible for:

(a) Coordinating federal-state-local relationships in economic development, the continual evaluation of the impact of policies and programs affecting economic development, and encouraging the full utilization of programs available for assisting the residents of the state and local public entities in satisfying the economic development needs of the state.

(b) Applying for and allocating federal funds available under the Public Works and Economic Development Act of 1965, as amended, and such other federal funds as may be available which will promote and assist economic development in the state.

(c) Assisting state agencies, offices, and departments to implement the state economic policy pursuant to Part 12 (commencing with Section 15900) of Division 3 of Title 2 and serving as an advisory agency to the Governor in the preparation of the Economic Report of the Governor as required by Section 15901.

(d) Responding to inquiries and providing statistics and other information on the economy, visitor attractions, and international trade, products and processes.

(e) The department in carrying out its responsibilities shall make maximum use of base data and studies currently being prepared and distributed by other state agencies. It shall avoid duplication of these efforts where possible.

(f) Assisting employees of a business or place of work in the formation of an employee-owned corporation, as defined by Section 91502.1, at that business or place of work, at the request of the employees and when that business or place of work is closing or is in danger of closing, by providing technical assistance, information, or access to sources of financing. The responsibilities created by this subdivision shall be permissive in the absence of nonstate funds unless state funds are specifically authorized by the Legislature for the purposes of this subdivision.

(g) Marketing California as a cost-effective and advantageous place for businesses to locate or expand. This subdivision shall not be construed to require any local government to participate, except in a voluntary manner, in this program.

SEC. 4. Section 15333 of the Government Code is amended to read:

15333. The Office of Business and Industrial Development shall perform the following functions and activities:

(a) Represent the Secretary of the Business and Transportation Agency in establishing clear lines of communication with California business.

(b) Advise the director on the problems and concerns of the business community, particularly those unique to California's small businesses.

(c) Review recommendations from the business community and advise the director on proposals affecting business conditions in California.

(d) Act as liaison between the business community and all departments of state government on issues affecting business development and insure that the findings and recommendations of each department are reported to the director.

(e) Cooperate with public and private agencies engaged in promoting and encouraging the location and development of new businesses in the state as well as the maintaining and expanding of existing businesses.

(f) Aid business concerns in their relationships with appropriate federal and state agencies such as procurement and lending agencies and the Small Business Administration.

(g) Market California as a cost-effective and advantageous place for businesses to locate or expand. This subdivision shall not be construed to require any local government to participate, except in a voluntary manner, in this program.

SEC. 5. Section 15336.3 is added to the Government Code, to read:

15336.3. (a) All employees or representatives of the department, when traveling to foreign countries or attending international trade shows, shall do so in cooperation with the California World Trade Commission.

(b) The department shall consult with the California World Trade Commission on the development of promotional and informational materials which are to be distributed to foreign countries.

SEC. 6. Article 4.5 (commencing with Section 15355) is added to Chapter 1 of Part 6.7 of Division 3 of Title 2 of the Government Code, to read:

Article 4.5. Industrial Marketing Plans

15355. The Director of Economic Development, in cooperation with the advisory committee created pursuant to Section 15355.5, shall prepare and update an industrial marketing plan which shall contain all of the following:

(a) Identification of the industries, industry segments, geographic regions, or other groups and factors to be targeted by the marketing

program.

(b) A listing of the themes or advertising messages to be presented to the target audiences.

(c) Identification of the means to be used to communicate information to the target groups. Possible communication mechanisms may include personal contact, direct mail, publication dissemination, trade show attendance, and print media and radio advertising.

(d) Summary of the market research upon which the development of the marketing plan was based.

(e) Methods to be used to test the effectiveness of the program.

(f) An expenditure and implementation plan which specifies the costs and timetable for carrying out the proposed marketing program.

15355.3. (a) The director shall prepare and submit an annual report to the Legislature on the industrial marketing progam. The first report shall be submitted on April 30, 1985, and annually thereafter on that date. The first annual report shall contain all of the following:

(1) The types of information and data to be available and used by the department in responding to corporations inquiring about industrial sites in California.

(2) The methods which the department will use to collect, update, and disseminate that information and data.

(3) The methods that the department will use to ensure that all regions of the state, particularly economically distressed and nonmetropolitan areas, have reasonable access to referrals of corporate inquires for which those regions may be well suited.

(b) Subsequent annual reports shall contain all of the following:

(1) The updated industrial marketing and inquiry response plans.

(2) Information on the impact of the marketing program on:

(A) Corporate inquiries.

(B) Plant locations and expansions, including data on their geographic distribution by county.

(C) Employment in the state.

(D) State and local tax receipts.

(E) Other factors as determined by the director in cooperation with the advisory committee.

(3) A record of the geographic distribution of inquiry referrals the department makes to local entities.

15355.5. (a) The director shall convene an advisory committee which shall make recommendations to the director on the implementation of this article including the preparation and updating of the industrial marketing plan and the annual report.

(b) The committee members shall represent the diversity of people, regions, and industries of the state.

(c) The director shall consult with the following on the selection of the advisory committee members:

(1) The Lieutenant Governor.

(2) The Chairperson of the Assembly Committee on Economic Development and New Technologies.

(3) The Chairperson of the Joint Committee on the State's Economy.

15355.7. (a) No funds expended by the department for the industrial marketing program shall be used to publicize or feature any elected official or political party in paid advertising.

(b) Media advertisements and publications prepared or purchased with departmental funds shall equally present the contributions of the executive and legislative branches of state government to the fostering of a positive state business climate if either branch is mentioned.

15355.9. This article shall remain in effect only until July 1, 1988, and as of that date is repealed, unless a later enacted statute which is chaptered on or before July 1, 1988, deletes or extends that date.

SEC. 7. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order to insure that California maintains and expands its employment base, and thereby reduces the personal hardships associated with unemployment, it is necessary that this act take effect immediately.

CHAPTER 479

An act to add Chapter 7 (commencing with Section 795) to Division 6 of the Evidence Code, relating to evidence.

[Approved by Governor July 17, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Chapter 7 (commencing with Section 795) is added to Division 6 of the Evidence Code, to read:

CHAPTER 7. HYPNOSIS OF WITNESSES

795. (a) The testimony of a witness is not inadmissible in a criminal proceeding by reason of the fact that the witness has previously undergone hypnosis for the purpose of recalling events which are the subject of the witness' testimony, if all of the following conditions are met:

(1) The testimony is limited to those matters which the witness recalled and related prior to the hypnosis.

(2) The substance of the prehypnotic memory was preserved in written, audiotape, or videotape form prior to the hypnosis.

(3) The hypnosis was conducted in accordance with all of the following procedures:

(A) A written record was made prior to hypnosis documenting the subject's description of the event, and information which was provided to the hypnotist concerning the subject matter of the hypnosis.

(B) The subject gave informed consent to the hypnosis.

(C) The hypnosis session, including the pre- and post-hypnosis interviews, was videotape recorded for subsequent review.

(D) The hypnosis was performed by a licensed medical doctor or psychologist experienced in the use of hypnosis and independent of and not in the presence of law enforcement, the prosecution, or the defense.

(4) Prior to admission of the testimony, the court holds a hearing pursuant to Section 402 of the Evidence Code at which the proponent of the evidence proves by clear and convincing evidence that the hypnosis did not so affect the witness as to render the witness' prehypnosis recollection unreliable or to substantially impair the ability to cross-examine the witness concerning the witness' prehypnosis recollection. At the hearing, each side shall have the right to present expert testimony and to cross-examine witnesses.

(b) Nothing in this section shall be construed to limit the ability of a party to attack the credibility of a witness who has undergone hypnosis, or to limit other legal grounds to admit or exclude the testimony of that witness.

CHAPTER 480

An act to amend Section 321 of the Public Utilities Code, and to repeal Section 2 of Chapter 837 of the Statutes of 1982, relating to the Public Utilities Commission.

[Approved by Governor July 17, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 321 of the Public Utilities Code is amended to read:

321. The commission shall establish an office of the public adviser and shall appoint a public adviser. The commission may employ staff as necessary to carry out the duties of the office of the public adviser. The office of the public adviser shall assist members of the public and ratepayers who desire to testify before or present information to the commission in any hearing or proceeding of the commission open to the public. The public adviser shall advise the commission on procedural matters relating to public participation in proceedings of

the commission.

SEC. 2. Section 2 of Chapter 837 of the Statutes of 1982 is repealed.

SEC. 3. It is the intent of the Legislature in enacting this act that the Public Utilities Commission, within the resources available to it for carrying out Section 321 of the Public Utilities Code as amended by Section 1 of this act, shall consider assigning part of its public adviser staff to the commission's offices in southern California.

SEC. 4. The public adviser shall report to the Legislature on or before June 30, 1985, regarding the commission's implementation of Section 1 of this act.

CHAPTER 481

An act to amend Section 117.14 of the Code of Civil Procedure, to amend Section 1560 of the Evidence Code, to amend Section 72054 of, and to amend and repeal Section 71180.5 of, the Government Code, to amend Section 40510 of the Vehicle Code, and to amend Sections 337 and 660 of the Welfare and Institutions Code, relating to court clerks.

[Approved by Governor July 17, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 117.14 of the Code of Civil Procedure is amended to read:

117.14. (a) A fee of six dollars ($6) shall be charged and collected for the filing of a claim under oath if the number of claims filed by the party in each court in the preceding 12 calendar months is 12 or less; and a fee of twelve dollars ($12) shall be collected for the filing of any additional claims. For each party to whom a copy of the claim is mailed by the clerk a fee of three dollars ($3) shall be charged and collected. Fees as provided in Sections 26828 and 26834 of the Government Code shall be charged and collected by the clerk for the issuance of a writ of execution or an abstract of judgment. Except as otherwise provided for in this chapter, no other fee or charge shall be collected by any officer for any service rendered under this chapter, or for the taking of affidavits for use in connection with any action commenced under this chapter. All fees collected pursuant to this section shall be deposited with the treasurer of the city and county or county under whose jurisdiction any such court shall exist.

(b) The number of claims filed by a party during the preceding 12 calendar months shall be determined pursuant to a declaration made by the party under penalty of perjury stating the number of claims so filed and submitted to the clerk with the current claim.

SEC. 2. Section 1560 of the Evidence Code is amended to read:

1560. (a) As used in this article:

(1) "Business" includes every kind of business described in Section 1270.

(2) "Record" includes every kind of record maintained by such a business.

(b) Except as provided in Section 1564, when a subpoena duces tecum is served upon the custodian of records or other qualified witness of a business in an action in which the business is neither a party nor the place where any cause of action is alleged to have arisen, and the subpoena requires the production of all or any part of the records of the business, it is sufficient compliance therewith if the custodian or other qualified witness, within five days after the receipt of the subpoena in any criminal action or within the time agreed upon by the party who served the subpoena and the custodian or other qualified witness, or within 15 days after the receipt of the subpoena in any civil action or within the time agreed upon by the party who served the subpoena and the custodian or other qualified witness, delivers by mail or otherwise a true, legible, and durable copy of all the records described in the subpoena to the clerk of court or to the judge if there be no clerk or to such other person as described in subdivision (a) of Section 2018 of the Code of Civil Procedure, together with the affidavit described in Section 1561.

(c) The copy of the records shall be separately enclosed in an inner envelope or wrapper, sealed, with the title and number of the action, name of witness, and date of subpoena clearly inscribed thereon; the sealed envelope or wrapper shall then be enclosed in an outer envelope or wrapper, sealed, and directed as follows:

(1) If the subpoena directs attendance in court, to the clerk of such court, or to the judge thereof if there be no clerk.

(2) If the subpoena directs attendance at a deposition, to the officer before whom the deposition is to be taken, at the place designated in the subpoena for the taking of the deposition or at the officer's place of business.

(3) In other cases, to the officer, body, or tribunal conducting the hearing, at a like address.

(d) Unless the parties to the proceeding otherwise agree, or unless the sealed envelope or wrapper is returned to a witness who is to appear personally, the copy of the records shall remain sealed and shall be opened only at the time of trial, deposition, or other hearing, upon the direction of the judge, officer, body, or tribunal conducting the proceeding, in the presence of all parties who have appeared in person or by counsel at the trial, deposition, or hearing. Records which are original documents and which are not introduced in evidence or required as part of the record shall be returned to the person or entity from whom received. Records which are copies may be destroyed.

SEC. 2.5. Section 71180.5 of the Government Code is amended to read:

71180.5. Upon the appointment, election, death, removal, or resignation of a judge of a municipal or justice court, the clerk or administrator of that municipal or justice court shall immediately give the Judges' Retirement System written notice thereof.

This section shall remain in effect only until January 1, 1991, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 1991, deletes or extends that date. If that date is not deleted or extended, then, on and after January 1, 1991, pursuant to Section 9611 of the Government Code, Section 71180.5 of the Government Code, as amended by Section 20 of Chapter 395 of the Statutes of 1983, shall have the same force and effect as if this temporary provision had not been enacted.

SEC. 3. Section 72054 of the Government Code is amended to read:

72054. Except as otherwise provided by law, the clerk of each municipal court and the clerk of each justice court shall charge the fees prescribed by this article, and the fees prescribed by Sections 26823, 26828, 26829, 26830, 26831, 26832, 26833, 26834, 26836, 26837, 26839, 26853, 26854, 26855, and 26863 for all services to be performed.

SEC. 4. Section 40510 of the Vehicle Code is amended to read:

40510. (a) Prior to the date upon which a defendant promised to appear, or prior to the time to appear contained on a notice of a parking violation, or prior to the expiration of any lawful continuance of that date, or upon receipt of information that an action has been filed, and prior to the scheduled court date, the defendant may deposit bail with the magistrate or the person authorized to receive a deposit of bail.

(b) For any offense which is not declared to be a felony, such deposit of bail may be by a personal check meeting the criteria established in accordance with subdivision (c).

(c) Each court, sheriff, or other agency which regularly accepts deposits of bail, shall adopt a written policy governing the acceptance of personal checks in payment of bail deposits. The policy shall permit clerks and other appropriate officers to accept personal checks under conditions which tend to assure the validity of the checks.

(d) The written policy governing the acceptance of personal checks adopted pursuant to subdivision (c) shall provide that the payee of the deposit made by personal check shall be the agency accepting the deposit.

SEC. 5. Section 337 of the Welfare and Institutions Code is amended to read:

337. (a) Except as provided in subdivision (b), if the minor is detained the clerk of the juvenile court shall cause the notice and copy of the petition to be served on all persons required to receive such notice and copy of the petition, either personally or by certified mail with request for return receipt, as soon as possible after filing of the petition and at least five days prior to the time set for hearing, unless such hearing is set less than five days from the filing of the

petition, in which case, such notice and copy of the petition shall be served at least 24 hours prior to the time set for hearing.

(b) If the minor is detained, and all persons entitled to notice were present at the detention hearing, the clerk of the juvenile court shall cause the notice and copy of the petition to be served on all persons required to receive the notice and copy of the petition, either personally or by first-class mail, as soon as possible after the filing of the petition and at least five days prior to the time set for hearing, unless the hearing is set less than five days from the filing of the petition, in which case the notice and copy of the petition shall be served at least 24 hours prior to the time set for the hearing.

(c) If the minor is not detained the clerk of the juvenile court shall cause the notice and copy of the petition to be served on all persons required to receive such notice and copy of the petition, either personally or by first-class mail, at least 10 days prior to the time set for hearing. If such person is known to reside outside of the county, the clerk of the juvenile court shall mail the notice and copy of the petition by first-class mail, to such person, as soon as possible after filing of the petition and at least 10 days before the time set for hearing. Failure to respond to the notice shall in no way result in arrest or detention. In the instance of failure to appear after notice by first-class mail, the court shall direct that the notice and copy of the petition is to be personally served on all persons required to receive such notice and copy of the petition. Personal service of the notice and copy of the petition outside of the county at least 10 days before the time set for hearing is equivalent to such service by first-class mail. Service may be waived by any person by a voluntary appearance entered in the minutes of the court or by a written waiver of service filed with the clerk of the court at or prior to the hearing.

SEC. 6. Section 660 of the Welfare and Institutions Code is amended to read:

660. (a) Except as provided in subdivision (b), if the minor is detained, the clerk of the juvenile court shall cause the notice and copy of the petition to be served on all persons required to receive such notice and copy of the petition, either personally or by certified mail with request for return receipt, as soon as possible after filing of the petition and at least five days prior to the time set for hearing, unless such hearing is set less than five days from the filing of the petition, in which case, such notice and copy of the petition shall be served at least 24 hours prior to the time set for hearing.

(b) If the minor is detained, and all persons entitled to notice were present at the detention hearing, the clerk of the juvenile court shall cause the notice and copy of the petition to be served on all persons required to receive the notice and copy of the petition, either personally or by first-class mail, as soon as possible after the filing of the petition and at least five days prior to the time set for hearing, unless the hearing is set less than five days from the filing of the petition, in which case the notice and copy of the petition shall

be served at least 24 hours prior to the time set for the hearing.

(c) If the minor is not detained, the clerk of the juvenile court shall cause the notice and copy of the petition to be served on all persons required to receive such notice and copy of the petition, either personally or by first-class mail, at least 10 days prior to the time set for hearing. If such person is known to reside outside of the county, the clerk of the juvenile court shall mail the notice and copy of the petition, by first-class mail, to such person, as soon as possible after the filing of the petition and at least 10 days before the time set for hearing. Failure to respond to the notice shall in no way result in arrest or detention. In the instance of failure to appear after notice by first-class mail, the court shall direct that the notice and copy of the petition is to be personally served on all persons required to receive such notice and copy of the petition. Personal service of the notice and copy of the petition outside of the county at least 10 days before the time set for hearing is equivalent to such service by first-class mail. Service may be waived by any person by a voluntary appearance entered in the minutes of the court or by a written waiver of service filed with the clerk of the court at or prior to the hearing.

(d) For purposes of this section, service on the minor's attorney shall constitute service on the minor's parent or guardian.

SEC. 7. Notwithstanding Section 6 of Article XIII B of the California Constitution and Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act for the purpose of making reimbursement pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 482

An act to amend Sections 1294, 1296, 1909, 1981, 2550, 33420, 33602, 33603, 35168, 42284, 42647, 44252, 44325, 44327, 44328, 44492, 44830.3, 45023.4, 46200, 48904, 48918, 52048, 54060, 54120, 62000, 64000, 69601, 69601.5, 69606, 69607, 69608, and 69609 of, to amend and renumber Section 60247 of, to add Section 33604 to, to repeal Section 69604 of, to repeal and add Sections 8222.1, 8278, and 52049 of, and to repeal Article 7 (commencing with Section 33600) of Chapter 4 of Part 20 of, the Education Code, to amend Section 3 of Chapter 46 of the Statutes of 1984, and to amend Provision (3) of Item 6100-101-001 of Chapter 324 of the Statutes of 1983, relating to education, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 17, 1984. Filed with Secretary of State July 17, 1984.]

The people of the State of California do enact as follows:

SECTION 1. Section 1294 of the Education Code is amended to read:

1294. Each person employed by a county superintendent of schools in a position requiring certification qualifications, except employees included in the civil service system or in any merit system, or any person who holds an office by virtue of an election conducted under the provisions of the Elections Code or the Education Code, and whose salary is paid from the county school service fund, has the same right with respect to leaves of absence, sick leave, and bereavement leave as a person employed by a school district or a community college district in a position requiring certification qualifications.

Sections 22724, 44841, 44845, 44922, 44949, 44955, 44962 to 44976, inclusive, 44977, 44978, 44979, 44983, 44984, 44985, 44987, 87413, 87414, 87740, 87743, 87763 to 87779, inclusive, 87780, 87781, 87782, 87786, 87787, and 87788 apply to persons so employed by a county superintendent of schools and so paid from the county school service fund. Whenever, in those provisions, a duty or power is imposed upon or granted to the governing board of a school district or community college district or an employee thereof, the power or duty shall, for the purposes of this section, be deemed to be granted to or imposed on the county superintendent of schools or his or her employee, respectively. When "district" is used in those provisions, it shall, for the purposes of this section, be deemed to mean "county superintendent of schools." Compensation paid to employees during those leaves shall be paid from the county school service fund.

The granting of leaves of absence to employees pursuant to Section 44966 or 87767 shall be by the county superintendent of schools, upon approval by the county board of education.

SEC. 1.3. Section 1296 of the Education Code is amended to read:

1296. (a) If the average daily attendance of the schools and classes maintained by a county superintendent of schools is 250 or more, each person who, after being employed for three complete consecutive school years by the superintendent in a teaching position in those schools or classes requiring certification qualifications and whose salary is paid from the county school service fund, is reelected for the next succeeding school year to such a position in those schools or classes, shall be classified as and become a permanent employee of the county superintendent of schools.

Such an employee shall have the same rights and duties as employees of school districts to which Section 44882 applies. Sections 44841, 44842, 44882, 44948.3, and 44948.5 are applicable to these employees.

This subdivision shall apply only to probationary employees whose

probationary period commenced prior to the 1983–84 fiscal year.

(b) If the average daily attendance of the schools and classes maintained by a county superintendent of schools is 250 or more, each person who, after being employed for two complete consecutive school years by the superintendent in a teaching position in those schools or classes requiring certification qualifications and whose salary is paid from the county school service fund, is reelected for the next succeeding school year to such a position in those schools or classes, shall be classified as and become a permanent employee of the county superintendent of schools.

The county superintendent of schools shall notify the employee, on or before March 15 of the employee's second complete consecutive year of employment by the superintendent in a teaching position in schools or classes maintained by the superintendent requiring certification qualifications, of the decision to reelect or not reelect the employee for the next succeeding school year to such a position in those schools. In the event that the county superintendent does not give notice pursuant to this section on or before March 15, the employee shall be deemed reelected for the next succeeding school year.

Such an employee shall have the same rights and duties as employees of school districts to which Section 44882 applies. Sections 44841, 44842, 44882, 44948.3, and 44948.5 are applicable to these employees.

This subdivision shall apply only to probationary employees whose probationary period commenced during the 1983–84 fiscal year or any fiscal year thereafter.

SEC. 1.5. Section 1909 of the Education Code is amended to read:

1909. From funds appropriated for allocation pursuant to Sections 2558 and 41841.5, for each county superintendent of schools who maintained schools or classes for prisoners in the 1981–82 fiscal year pursuant to Section 1906, and who continues to maintain those schools or classes in each fiscal year thereafter, the Superintendent of Public Instruction shall allow in the 1982–83 fiscal year and each fiscal year thereafter, an amount equal to the actual current expenses of the programs, but not to exceed an amount determined as follows:

(a) Compute the prior year statewide average revenue limit per unit of average daily attendance for adults, increased by the amount specified in Section 52616 for the current fiscal year.

(b) Multiply the amount computed in paragraph (1) by the average daily attendance of the schools or classes in the current fiscal year, but in no event shall the average daily attendance in the 1982–83 fiscal year exceed 1.085 times the average daily attendance in the 1981–82 fiscal year.

(c) Multiply the product determined in subdivision (b) for each fiscal year by 0.8.

SEC. 1.7. Section 1981 of the Education Code is amended to read:

1981. The county board of education may enroll in community schools any of the following:

(a) Pupils who have been expelled from a school while attending either continuing classes, opportunity classes, or alternative classes.

(b) Pupils who have been referred to county community schools by a school district as a result of the recommendation by a school attendance review board.

(c) Pupils who are probation-referred pursuant to Sections 300, 601, 602, and 654 of the Welfare and Institutions Code, or who are on probation or parole and who are not in attendance in any school.

SEC. 2. Section 2550 of the Education Code is amended to read:

2550. The Superintendent of Public Instruction shall perform the computations prescribed in this section for each county superintendent of schools.

(a) The Superintendent of Public Instruction shall make the following computations to determine the revenue limits for special schools and classes operated by county superintendents of schools:

(1) For the 1979–80 fiscal year, the Superintendent of Public Instruction shall determine the 1978–79 revenue limits for the programs specified in subdivision (e) of Section 2500, as computed pursuant to Section 6 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978. The Superintendent of Public Instruction shall increase these revenue limits by a percentage equal to the inflation allowance calculated in Section 2557.

(2) For the 1979–80 fiscal year, the Superintendent of Public Instruction shall determine the allowances which county superintendents receive per unit of average daily attendance in programs operated pursuant to Section 1980 or 48633.

(3) The Superintendent of Public Instruction shall multiply the amounts calculated in paragraphs (1) and (2) by the estimated number of units of average daily attendance for those programs for the 1979–80 fiscal year.

(4) The total amount calculated in paragraph (3) may be used for any of the programs specified in this subdivision.

(b) The Superintendent of Public Instruction shall make the following computations to determine the amount to be allocated for vocational/technical schools and classes operated by county superintendents of schools:

(1) For the 1979–80 fiscal year, for programs operated pursuant to Section 52301, the Superintendent of Public Instruction shall determine the 1978–79 revenue limits specified in Section 52317, as computed pursuant to Section 6 of Chapter 292, Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978. The Superintendent of Public Instruction shall increase these revenue limits by a percentage equal to the inflation allowance calculated in Section 2557. The Superintendent of Public Instruction shall then multiply this adjusted revenue limit by a factor of 0.95 and multiply the product by the estimated number of units of average daily attendance for those programs for the 1979–80 fiscal year. For purposes of this paragraph, this estimate shall include only average

daily attendance earned by students concurrently enrolled in regular high school programs and by adults enrolled in adult programs mandated pursuant to Section 41976.

(2) For the 1979–80 fiscal year, the Superintendent of Public Instruction shall determine the revenue limits per unit of average daily attendance for programs operated pursuant to Sections 1791 and 2520, as computed pursuant to Section 6 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978. The Superintendent of Public Instruction shall increase these revenue limits by a percentage equal to the inflation allowance calculated in Section 2557. The Superintendent of Public Instruction shall then multiply these adjusted revenue limits by the respective number of units of average daily attendance for those programs for the 1979–80 fiscal year.

(3) The total amount calculated in paragraphs (1) and (2) may be used for any of the programs specified in this subdivision.

(c) For the 1981–82 fiscal year and each fiscal year thereafter, the Superintendent of Public Instruction shall make the following computations to determine the amount to be allocated for direct services and other purposes provided by county superintendents of schools:

(1) For programs operated pursuant to subdivision (a) of Section 14054, the Superintendent of Public Instruction shall:

(A) Determine the allowances which county superintendents received per unit of average daily attendance in the prior fiscal year. The Superintendent of Public Instruction shall increase each amount by a percentage equal to the inflation allowance calculated for the current fiscal year pursuant to Section 2557.

(B) Multiply each amount determined in subparagraph (A) by the actual number of units of average daily attendance in the prior fiscal year for programs maintained by each county superintendent. For purposes of this subparagraph, the number of units of average daily attendance shall include only elementary districts with less than 901 units of average daily attendance, high school districts with less than 301 units of average daily attendance, and unified school districts with less than 1,501 units of average daily attendance within each county superintendent's jurisdiction.

(C) The amount calculated pursuant to this paragraph shall be restricted for the purposes specified in subdivision (a) of Section 14054.

(2) For programs operated pursuant to subdivision (b) of Section 14054, the Superintendent of Public Instruction shall:

(A) Determine the allowances which county superintendents received per unit of average daily attendance in the prior fiscal year for programs for kindergarten and grades 1 to 12, inclusive. The Superintendent of Public Instruction shall increase each amount by a percentage equal to the inflation allowance calculated in Section 2557.

(B) Multiply each amount determined in subparagraph (A) by

the estimated units of average daily attendance in the current fiscal year for programs for kindergarten and grades 1 to 12, inclusive, maintained by each county superintendent. For the purposes of this subparagraph, the estimate shall include only the total units of average daily attendance credited to all elementary, high school, and unified school districts within each county superintendent's jurisdiction and to the county superintendent.

(C) The amount calculated pursuant to this paragraph shall be restricted for the purposes specified in subdivision (b) of Section 14054.

SEC. 3. Section 8222.1 of the Education Code is repealed.

SEC. 3.5. Section 8222.1 is added to the Education Code, to read:

8222.1. Out of funds appropriated in accordance with Section 8278 for alternative payment programs, the State Department of Education shall reallocate funds necessary to reimburse alternative payment programs for actual and allowable costs incurred for additional services. Applicants may apply for an amount not to exceed five thousand dollars ($5,000), or two percent of the contract amount, whichever is greater. Applicants who received funds for two consecutive years under this section may not apply for funding for the following year.

SEC. 4. Section 8278 of the Education Code is repealed.

SEC. 4.5. Section 8278 is added to the Education Code, to read:

8278. (a) Notwithstanding any other provision of law, child development appropriations shall be available for expenditure for three years, except that funds remaining unencumbered at the end of the first fiscal year shall be unallocated.

(b) The Superintendent of Public Instruction shall establish criteria and procedures for the reallocation of unearned contract funds in the second and third years of availability, in accordance with the following priorities:

(1) First, for the State Department of Education's accounts payable.

(2) Second, to reimburse alternative payment programs for the provision of additional services, in accordance with Section 8222.1.

(3) Third, for the purchase of materials approved by the State Department of Education for deferred and major maintenance of existing facilities, for one-time only services, or for any combination of these expenditures which will directly benefit enrolled children.

SEC. 5. Section 33420 of the Education Code is amended to read:

33420. (a) The Superintendent of Public Instruction, in cooperation with the State Department of Finance and the Auditor General, shall, on or before July 1, 1980, provide for a plan for independent audits of state and federal funds allocated to private agencies which are under contract with the State Department of Education for the provision of educational services.

For the purpose of this article, "educational services" includes, but is not limited to, child nutrition and child development services.

To the maximum extent possible, the plan shall conform to audit

procedures pursuant to Section 41020.5.

(b) Effective July 1, 1980, the State Department of Education, as a condition to any contract with a private agency for the provision of educational services, shall require a periodic audit of state and federal funds to be conducted by departmental staff auditors or a certified public accountant or public accountant who is licensed by the California State Board of Accountancy. For child development services, the audit shall include all funds deposited in the child development fund. For all other educational services, the audit shall be limited to those state and federal funds accruing to the private agency as a result of its contract with the State Department of Education.

(c) If in the course of such audits of a private agency, an audit exception is reported by the certified public accounting firm in excess of a material amount as determined by the Superintendent of Public Instruction, the Superintendent of Public Instruction shall, upon final determination by the superintendent of the amount of the audit exception, collect such audit exception and redistribute the amount collected to the same class of program, or withhold the amount of the audit exception from the next payment to the agency in which the audit exception was discovered.

(d) The State Department of Education shall establish a schedule for audits which meets federal regulations and which covers all contract periods from the last previous audit.

(e) The State Department of Education may exempt from the provisions of this section those agencies for which, in the department's estimation, the cost of an audit would be inordinate in relation to the level of funding received by the private agency for the educational services provided.

SEC. 5.3. Section 33602 of the Education Code is amended to read:

33602. The commission shall conduct appropriate studies and make recommendations to the Legislature and the Governor regarding:

(a) The consolidation of the statewide and regional functions and responsibilities of county offices of education, special regional planning units, regional occupational centers and programs, the State Department of Education, and other regionally administered educational units.

(b) Recommendations as to the size and scope of authority of schools and school districts necessary to improve educational management capabilities and to facilitate the participation of parents and district residents in the establishment of school policies.

(c) Recommendations as to measures necessary to eliminate the duplication of activities among school districts; state, regional, and local educational units; community colleges; and other state agencies.

(d) An evaluation of the assignment of duties carried out by schools which duplicate activities of other governmental units or are

not the proper responsibility of the school system.

(e) An evaluation of the growth of nonteaching school personnel over the past 12 years, an assessment of the reasons for the growth of, and the need for, personnel, and recommendations regarding ways for schools to increase efficiency in the management and use of nonteaching personnel.

(f) Recommendations regarding the appropriate taxing authority to be granted to school districts.

The commission may also study and make recommendations concerning other matters brought before it by the Superintendent of Public Instruction.

SEC. 5.5. Section 33603 of the Education Code is amended to read:

33603. The commission shall prepare its initial report for submission to the Legislature and the Governor on or before April 1, 1985.

SEC. 5.7. Section 33604 is added to the Education Code, to read:

33604. This article shall become inoperative on June 30, 1985, and, as of January 1, 1986, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 1986, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 7. Section 35168 of the Education Code is amended to read:

35168. The governing board of each school district, shall establish and maintain a historical inventory, or an audit trace inventory system, or any other inventory system authorized by the State Board of Education, which shall contain the description, name, identification numbers, and original cost of all items of equipment acquired by it whose current market value exceeds five hundred dollars ($500) per item, the date of acquisition, the location of use, and the time and mode of disposal. A reasonable estimate of the original cost may be used if the actual original cost is unknown.

SEC. 9. Section 42284 of the Education Code is amended to read:

42284. For each district with fewer than 2,501 units of average daily attendance, on account of each necessary small high school, the county superintendent of schools shall make one of the following computations selected with regard only to the number of certificated employees employed or average daily attendance, whichever provides the lesser amount:

Average daily attendance	Minimum number of certificated employees	Amount to be computed
1- 20	less than 3	$ 42,980 per teacher
1- 20	3	191,340
21- 40	4	234,320
41- 60	5	277,300
61- 75	6	320,280
76- 90	7	363,260

91-105	8	406,240
106-120	9	449,220
121-135	10	492,200
136-150	11	535,180
151-180	12	578,160
181-220	13	621,140
221-260	14	664,120
261-300	15	707,100

For purposes of this section, a "certificated employee" means an equivalent full-time position of an individual holding a credential authorizing service and providing service in grades 9 through 12 in any secondary school. Any fraction of an equivalent full-time position remaining after all equivalent full-time positions for certificated employees within the district have been calculated shall be deemed to be a full-time position.

SEC. 9.1. Section 42647 of the Education Code is amended to read:

42647. With the approval of the Superintendent of Public Instruction, the governing board of a unified school district, or district with over 10,000 average daily attendance, may cause to be drawn all warrants on the county treasurer against all the funds, except debt service, of the district in the county treasury in the payment of the expenses of the district. The warrants shall be issued by a person designated as the district auditor or district disbursing officer for the school district on the county treasurer in favor of the persons entitled thereto in payment of all claims chargeable against the district which have been legally examined, allowed, and ordered paid by the governing board. The district auditor shall issue warrants on the county treasurer for all debts and demands against the district when the amounts are fixed by law. The form of the warrant shall be as prescribed by the governing board and approved by the county auditor or county treasurer having jurisdiction.

Notwithstanding Section 42631, the cost of printing the warrants shall be borne by the district.

No county officer shall be responsible for producing reports, statements, and other data relating to or based on these payments of the expenses of the districts. Those districts issuing warrants as provided by this section shall provide the county superintendent of schools, in the form prescribed by him or her, with the data necessary to make retirement reports and other reports required of him or her by law. All warrants, vouchers, and supporting documents shall be kept by the school districts that draw their own warrants.

Notwithstanding Section 27005 of the Government Code, or any other section requiring orders for warrants or warrants to be signed by the county superintendent of schools or the county auditor, or both, the county treasurer shall pay the warrant, if money is available.

Notwithstanding Section 41000, except for assessing and tax col-

lecting, the county auditor and the county treasurer may charge those districts that draw their own warrants for the cost of all fiscal services.

The person authorized by the governing board of the district to issue warrants pursuant to this section shall execute an official bond in an amount fixed by the governing board conditioned upon the faithful performance of his or her duties under this section. A county superintendent of schools or a county auditor shall not be liable under the terms of their bonds or otherwise for any warrant issued pursuant to this section. It is not intended that this provision shall be applied so as to impair the obligation of any contract in the bond of such officer in effect on the effective date of this section.

A listing of the warrants issued under this section by each school district shall be forwarded to the county auditor having jurisdiction, upon his or her request, and to the county superintendent of schools having jurisdiction over the district on the same day warrants are issued. The listing, which may be magnetic tape, punched cards, or in other form, shall report, among other things, the warrant number, date of the warrant, amount of the warrant, the name of the payee, and the fund on which drawn.

The form and content of the warrant listing shall be as prescribed by the governing board and approved by the county auditor having jurisdiction.

Each unified school district or district with over 10,000 average daily attendance which issues warrants pursuant to this section shall furnish monthly to the county superintendent of schools and the county auditor of the county of jurisdiction, upon his or her request, a statement showing for the current fiscal year to date, for each required expenditure classification, the amount budgeted, actual expenditures, encumbrances and unencumbered balances.

In order to obtain the approval of the Superintendent of Public Instruction, a unified school district, or district with over 10,000 average daily attendance, shall file a written application with the county superintendent of schools of jurisdiction. Upon receipt of an application from the district, the county superintendent of schools shall cause a survey to be made of the district's accounting controls by an independent certified public accountant or public accountant in accordance with standards prescribed by the Department of Finance. The certified public accountant or public accountant shall report his or her findings and recommendations to the county superintendent, county auditor, and to the applicant district.

The county superintendent shall forward the district's application, together with his or her other recommendations and the recommendations of the county auditor and a report of the survey, to the Superintendent of Public Instruction for approval or disapproval of the application. The Superintendent of Public Instruction shall approve the application only if he or she finds that the accounting controls of the district are adequate. If the Superintendent of Public Instruction determines that these controls are inadequate, he or she

shall disapprove the application.

The county superintendent of schools shall be reimbursed for all costs incident to the accounting controls survey made pursuant to the district's application from the district's funds.

When approved by the Superintendent of Public Instruction, the issuance of warrants pursuant to this section shall be effective at the beginning of the fiscal year if the approval had been made prior to the preceding first day in January. In the event that the issuance of warrants has been disapproved, the Superintendent of Public Instruction and the county superintendent of schools shall state the specific steps which must be taken by the school district in order to receive approval. If at any time the county superintendent of schools determines that the accounting controls of the district have become inadequate, he or she may recommend to the Superintendent of Public Instruction that the approval be revoked, to be effective on the first day of the next following fiscal year.

SEC. 9.2. Section 44227.5 of the Education Code is amended to read:

44227.5. (a) It is the intent of the Legislature that college and university faculty members who teach courses relating to administrative services credential programs or teaching methods in programs of professional preparation that are approved by the Commission on Teacher Credentialing have direct knowledge of the way that public elementary and secondary schools function and operate.

(b) The Commission on Teacher Credentialing, in cooperation with public and private postsecondary institutions operating teacher education programs, shall develop standards and procedures which ensure that each faculty member who teaches a course relating to teaching methods or administrative services credential courses, or both, in an approved program of professional preparation actively participates in public elementary or secondary schools and classrooms at least once every three academic years.

SEC. 9.3. Section 44252 of the Education Code is amended to read:

44252. (a) The commission shall establish standards and procedures for the initial issuance and renewal of credentials.

(b) Commencing on February 1, 1983, the Commission on Teacher Credentialing shall not issue initially any credential, permit, certificate, or renewal of an emergency credential to any person to serve in the public schools unless the person has demonstrated proficiency in basic reading, writing, and mathematics skills in the English language as provided in Section 44252.5. However, an emergency credential holder who has passed the basic skills proficiency test shall not be required to repeat the test in order to obtain a renewal of his or her emergency credential. The commission shall exempt from the basic skills proficiency test requirement any of the following persons:

(1) A person credentialed solely for the purpose of teaching adults in an apprenticeship program.

(2) An applicant for an adult education designated subject cre-

dential for other than an academic subject.

(3) A person credentialed in another state who is an applicant for employment in a school district in this state who has passed a basic skills proficiency examination which has been developed and administered by the school district offering that person employment. School districts administering a basic skills proficiency examination under this paragraph shall comply with the requirements of subdivision (m) of Section 44830. Such an applicant shall be granted a nonrenewable emergency credential, valid for not longer than one year, pending fulfillment of the basic skills proficiency requirement pursuant to Section 44261.5. The commission shall report to the Legislature no later than January 1, 1984, on the number of teachers receiving emergency credentials without fulfilling the basic skills proficiency requirement, the districts in which these teachers are employed, the number of teachers granted clear credentials after the expiration of an emergency credential granted under these conditions, and a comparison of success rate of these teachers on the basic skills test with the success rate of the general pool of credential applicants.

(4) An applicant for a child care center permit or a permit authorizing service in a development center for the handicapped, so long as the holder of the permit is not required to have a baccalaureate degree.

(5) The holder of a credential, permit, or certificate to teach, other than an emergency credential, who seeks an additional authorization to teach.

(6) An applicant for a credential to provide service in the health profession.

(c) By December 31, 1982, the Superintendent of Public Instruction shall adopt an appropriate state test to measure proficiency in these basic skills. In adopting the test, the superintendent shall seek assistance from the commission and an advisory board. A majority of the members of the advisory board shall be classroom teachers. The board shall also include representatives of local school boards, school administrators, parents, and postsecondary institutions.

The superintendent shall adopt any normed test that the superintendent determines will sufficiently test basic skills for purposes of this section.

The superintendent, in conjunction with the commission and approved teacher training institutions, shall take steps necessary to insure the effective implementation of this provision.

(d) Nothing in this section shall be construed as requiring the holders of, or applicants for, a vocational designated subject credential to pass the state basic skills proficiency test. The governing board of each school district, or each governing board of a consortium of school districts, or each governing board involved in a joint powers agreement, which employs a holder of a vocational designated subject credential shall establish its own basic skills proficiency criteria for the holders of these credentials and shall arrange for those individuals to be assessed. The basic skills proficiency criteria estab-

lished by the governing board shall be at least equivalent to the test required by the district, or in the case of a consortium or a joint powers agreement, by any of the participating districts, for graduation from high school. The governing board or boards may charge a fee to individuals being tested to cover the costs of the test, including the costs of developing, administering, and grading the test.

(e) The commission shall compile data regarding the rate of passing the state basic skills proficiency test by persons who have been trained in various institutions of higher education. The data shall be available to members of the public, including to persons who intend to enroll in teacher education programs.

SEC. 9.4. Section 44325 of the Education Code is amended to read:

44325. (a) The Commission on Teacher Credentialing shall issue teacher trainee certificates authorizing persons employed by any school district maintaining grades 9 to 12, inclusive, or maintaining grades 6 to 8, inclusive, in a departmentalized program, to provide classroom instruction to pupils in those grades in accordance with the requirements of Section 44830.3.

(b) Each teacher trainee certificate shall be valid for a period of two years. Upon the recommendation of the governing board of the school district, the commission may grant a one-year extension of the teacher trainee certificate.

(c) The commission shall require each applicant for a teacher trainee certificate to demonstrate that he or she meets the minimum qualifications for that certificate, including the possession of a baccalaureate degree conferred by an accredited institution of postsecondary education and the successful passage of the state basic skills proficiency test administered under the provisions of Sections 44252 and 44252.5 in addition to the appropriate subject matter examination administered by the commission for the subject areas in which the teacher trainee is authorized to teach.

(d) The commission shall apply the requirements of Sections 44339, 44340, and 44341 to each applicant for a teacher trainee certificate.

SEC. 9.5. Section 44327 of the Education Code is amended to read:

44327. On or before August 1, 1984, the commission shall inform each school district regarding teacher trainee options and shall report to the Legislature on the methods employed to inform school districts. The commission may suggest alternative models of professional development plans for teacher trainees for consideration and adoption by school districts. The models may include provisions for collaboration between school districts and accredited institutions of higher education on behalf of certificated teacher trainees and mentor teachers.

SEC. 9.6. Section 44328 of the Education Code is amended to read:

44328. Unless the commission determines that substantial evi-

dence exists that a person is unqualified to teach, upon the successful completion of two years of successful service as a teacher trainee, and upon the recommendation of the school district governing board, the commission shall award clear credentials to teacher trainees in the same manner as applicants recommended for credentials by institutions that operate approved programs of professional preparation.

Notwithstanding the provisions of subdivisions (b), (c), and (e) of Section 44259, or Section 44261 or 44335, or the requirements for the completion of course requirements in special education adopted pursuant to the authority of the provisions of Section 67.5 of Chapter 1247 of the Statutes of 1977, it is the intent of the Legislature that upon recommendation by the governing board, teacher trainees shall be issued clear credentials, rather than preliminary credentials, upon the completion of two years of successful service as a teacher, unless the governing board recommends, and the commission finds substantial evidence that the person is not qualified to teach.

SEC. 9.7. Section 44492 of the Education Code is amended to read:

44492. (a) Out of the funds available for that purpose, the superintendent shall allocate funds to participating school districts for the purpose of providing stipends to mentor teachers. The superintendent shall annually make a determination as to the number of certificated classroom teachers employed by each participating school district and may authorize the district to designate as mentors up to 5 percent of the total number of certificated classroom teachers in the district. Teachers designated as mentors shall meet the minimum qualifications established by subdivision (b) of Section 44491.

The superintendent shall increase any fraction resulting from the 5 percent calculation to the next integer, and shall allow districts which have at least five certificated employees to designate one classroom teacher as a mentor teacher.

(b) Each district which has less than five certificated employees shall be eligible for an amount of funding in the mentor teacher program computed by multiplying the number of certificated employees in the district by 5 percent, and multiplying the result by four thousand dollars ($4,000).

(c) Out of the funds available for that purpose, the superintendent shall, in the exercise of his or her discretion, allocate to participating school districts an amount which the superintendent determines to be sufficient to reimburse the necessary costs of participation in the mentor program. For purposes of this subdivision, necessary costs of participation in the mentor program shall include, but not be limited to, the costs of employing a substitute classroom teacher for a mentor teacher who uses all or part of his or her stipend for professional growth or release time, and costs of administering the program.

If at the end of any fiscal year, an amount of the funds available for purposes of this subdivision remains unallocated, the Superintendent of Public Instruction shall utilize the unallocated amount for

purposes of subdivision (a) or (b) in the next fiscal year.

(d) Any school district may apply for and receive funds for the purposes of this program.

School districts which operate mentor teacher programs together under cooperative agreements or pursuant to Section 6502 of the Government Code, shall not receive entitlements from state funds in amounts above that which each district would have received while operating its own program.

SEC. 10.5. Section 44830.3 of the Education Code is amended to read:

44830.3. (a) The governing board of any school district maintaining grades 9 to 12, inclusive, or maintaining grades 6 to 8, inclusive, in a departmentalized program, may employ persons authorized by the Commission on Teacher Credentialing to provide service as teacher trainees to provide instruction to pupils in those grades as a classroom teacher. Prior to employing any person as a teacher trainee, the governing board shall certify to the commission that insufficient fully credentialed teachers are available. The governing board shall require that each teacher trainee be assisted and guided by a certificated employee of the school district who has been designated by the governing board as a mentor teacher pursuant to the provisions of Article 4 (commencing with Section 44490) of Chapter 3 of this part.

(b) The governing board of each school district employing certificated teacher trainees shall develop and implement a professional development plan for each teacher trainee in consultation with an accredited institution of higher education offering an approved program of pedagogical preparation. The professional development plan shall include:

(1) Provisions for an annual evaluation of the teacher trainee.

(2) As the governing board determines necessary, a description of courses to be completed by the teacher trainee, if any, and a plan for the completion of preservice or other clinical training, if any, including student teaching.

(3) Any other criteria which may be required by the governing board.

(c) Upon completion of two years of service, the governing board may recommend to the Commission on Teacher Credentialing that the teacher trainee be credentialed in the manner prescribed by Section 44328.

SEC. 11. Section 45023.4 of the Education Code is amended to read:

45023.4. (a) The governing board of any school district, county superintendent of schools, or county board of education may, in the 1983–84, 1984–85, or 1985–86 fiscal years, increase, for teachers meeting the requirements specified herein, the salary on its adopted certificated employee salary schedule for the then current fiscal year as specified in subdivision (b). For purposes of this section, any teacher for whom the governing board, county superintendent of schools, or

county board of education may increase salaries shall meet all of the following criteria:

(1) Hold a valid California teaching credential.

(2) Possess a baccalaureate or higher degree.

(3) Receive a salary paid from the general fund of the district or county office.

(b) The governing board, county superintendent of schools, or county board of education shall perform the following computations:

(1) The governing board, county superintendent of schools, or county board of education shall compute an amount equal to the amount of the lowest salary on the salary schedule for a certificated employee meeting the criteria in subdivision (a) for the then current fiscal year multiplied by 1.10, but not to exceed an annual salary of eighteen thousand dollars ($18,000) in the 1983–84 school year, adjusted in the 1984–85 and 1985–86 school years by the same percentage increase made in base revenue limits for a unified school district with over 1,500 units of average daily attendance.

(2) The governing board, county superintendent of schools, or county board of education shall increase to the amount computed in paragraph (1) the salary of any certificated employee meeting the criteria in subdivision (a) whose salary on the salary schedule for the then current fiscal year is less than the amount computed in paragraph (1) and, notwithstanding Section 45028, shall incorporate that increase into the salary schedule.

(c) Each school district or county office of education which increases salaries pursuant to subdivision (b) shall receive reimbursement for the cost of the increase as follows:

(1) Total the salaries of all certificated employees receiving increased salaries pursuant to subdivision (b).

(2) Total all salaries, based on the salary schedule for the then current fiscal year, of all certificated employees receiving increased salaries pursuant to subdivision (b).

(3) Subtract the amount in paragraph (2) from the amount in paragraph (1).

(4) Multiply the amount in paragraph (3) by the district's State Teachers' Retirement System contribution rate.

(5) In the then current fiscal year, the revenue limit of the district calculated pursuant to Section 42238 or of the county office of education calculated pursuant to Section 2550 may be increased by an amount equal to the sum of the amounts in paragraphs (3) and (4).

(6) For the 1984–85, 1985–86, and 1986–87 fiscal years, any school district or county office of education which received reimbursement pursuant to this subdivision in the prior fiscal year shall divide the amount added to the revenue limit pursuant to paragraph (5) by the regular average daily attendance for the prior fiscal year, and shall add that quotient to the base revenue limit per unit of average daily attendance for the then current fiscal year.

(d) A school district or county office of education shall receive reimbursement pursuant to subdivision (c) only if it certifies to the

Superintendent of Public Instruction that the increase of teachers' salaries pursuant to this section does not require the district or county office of education to increase the salaries of other teachers.

(e) The adjustment to the district's revenue limit specified in paragraph (6) of subdivision (c) shall continue so long as the increase in the salary schedule made pursuant to paragraph (2) of subdivision (b) is maintained.

SEC. 12. Section 46200 of the Education Code is amended to read:

46200. (a) In the 1984–85 fiscal year, for each school district which certifies to the Superintendent of Public Instruction that it offers 180 days or more of instruction per school year, the Superintendent of Public Instruction shall apportion thirty-five dollars ($35) per unit of average daily attendance, exclusive of adult average daily attendance and average daily attendance for pupils attending summer school. A year-round school shall be deemed to be in compliance with the 180-day requirement if it certifies to the Superintendent of Public Instruction that it is a year-round school and maintains its school for five more days, or the equivalent thereof, than maintained in the 1982–83 fiscal year not to exceed 180 days. Each school district which received an apportionment pursuant to this subdivision in the 1984–85 fiscal year shall add thirty-five dollars ($35) to the district's base revenue limit per unit of average daily attendance for the 1985–86 fiscal year.

(b) For any school district which received an apportionment pursuant to subdivision (a) and which offers less than 180 days of instruction in the 1985–86 fiscal year or any fiscal year thereafter, and which does not provide the minimum number of instructional minutes specified in subdivision (a) of Section 46201 for that fiscal year, the Superintendent of Public Instruction shall reduce the base revenue limit per unit of average daily attendance for that fiscal year by an amount attributable to the increase received pursuant to subdivision (a), as adjusted in fiscal years subsequent to the 1984–85 fiscal year.

SEC. 13. Section 48904 of the Education Code is amended to read:

48904. (a) Notwithstanding Section 1714.1 of the Civil Code, the parent or guardian of any minor whose willful misconduct results in injury or death to any pupil or any person employed by or performing volunteer services for a school district or private school or who willfully cuts, defaces, or otherwise injures in any way any property, real or personal, belonging to a school district or private school, or personal property of any school employee shall be liable for all damages so caused by the minor. The liability of the parent or guardian shall not exceed five thousand dollars ($5,000). The parent or guardian shall also be liable for the amount of any reward not exceeding five thousand dollars ($5,000) paid pursuant to Section 53069.5 of the Government Code. The parent or guardian of a minor shall be liable to a school district or private school for all property belonging to the school district or private school loaned to the minor and not returned upon demand of an employee of the district or private school authorized to make the demand.

(b) Any school district or private school whose real or personal property has been willfully cut, defaced, or otherwise injured, or whose property is loaned to a pupil and willfully not returned upon demand of an employee or the district or private school authorized to make the demand may, after affording the pupil his or her due process rights, withhold the grades, diploma, and transcripts of the pupil responsible for the damage, except transfer transcripts as provided in Section 49068, until the pupil or the pupil's parent or guardian has paid for the damages thereto, as provided in subdivision (a).

The school district or private school shall notify the parent or guardian of the pupil in writing of the pupil's alleged misconduct before withholding the pupil's grades, diploma, or transcripts pursuant to this subdivision. When the minor and parent are unable to pay for the damages, or to return the property, the school district or private school shall provide a program of voluntary work for the minor in lieu of the payment of monetary damages. Upon completion of the voluntary work, the grades, diploma, and transcripts of the pupil shall be released.

The governing board of each school district or governing body of each private school shall establish rules and regulations governing procedures for the implementation of this subdivision. The procedures shall conform to, but are not necessarily limited to, those procedures established in this code for the expulsion of pupils.

SEC. 13.5. Section 48918 of the Education Code is amended to read:

48918. The governing board of each school district shall establish rules and regulations governing procedures for the expulsion of pupils. These procedures shall include, but are not necessarily limited to, the following:

(a) The pupil shall be entitled to a hearing to determine whether the pupil should be expelled. An expulsion hearing shall be held within 30 schooldays of the date the principal or the superintendent of schools determines that the pupil has committed any of the acts enumerated in Section 48900, unless the pupil requests, in writing, that the hearing be postponed. The adopted rules and regulations shall require that the pupil shall be entitled to at least one postponement for a period of not more than 30 calendar days of an expulsion hearing. Thereafter, any additional postponement may be granted at the discretion of the governing board.

In the event that compliance by the governing board with the time requirements for the conducting of an expulsion hearing under this subdivision is impracticable, the superintendent of schools or the superintendent's designee may, for good cause, extend the time period for the holding of the expulsion hearing for an additional five schooldays. Reasons for the extension of the time for the hearing shall be included as a part of the record at the time the expulsion hearing is conducted. Upon the commencement of the hearing, all matters shall be pursued and conducted with reasonable diligence and shall be concluded without any unnecessary delay.

(b) Written notice of the hearing shall be forwarded to the pupil at least 10 calendar days prior to the date of the hearing. The notice shall include: the date and place of the hearing; a statement of the specific facts and charges upon which the proposed expulsion is based; a copy of the disciplinary rules of the district which relate to the alleged violation; and the opportunity for the pupil or the pupil's parent or guardian to appear in person or employ and be represented by counsel, to inspect and obtain copies of all documents to be used at the hearing, to confront and question all witnesses who testify at the hearing, to question all other evidence presented, and to present oral and documentary evidence on the pupil's behalf, including witnesses.

(c) Notwithstanding the provisions of Section 54593 of the Government Code and Section 35145 of this code, the governing board shall conduct a hearing to consider the expulsion of a pupil in a session closed to the public, unless the pupil requests, in writing, at least five days prior to the date of the hearing, that the hearing be conducted at a public meeting. Regardless of whether the expulsion hearing is conducted in a closed or public session, the governing board may meet in closed session for the purpose of deliberating and determining if the pupil should be expelled.

If the governing board or the hearing officer or administrative panel appointed under subdivision (d) to conduct the hearing admits any other person to a closed deliberation session, the parent or guardian of the pupil, the pupil, and the counsel of the pupil shall also be allowed to attend the closed deliberations.

(d) In lieu of conducting an expulsion hearing itself, the governing board may contract with the county hearing officer, or with the Office of Administrative Hearings of the State of California pursuant to Chapter 14 (commencing with Section 27720) of Part 3 of Division 2 of Title 3 of the Government Code and Section 35207 of this code, for a hearing officer to conduct the hearing. The governing board may also appoint an impartial adminstrative panel of three or more certificated persons, none of whom shall be members of the board or employed on the staff of the school in which the pupil is enrolled. The hearing shall be conducted in accordance with all of the procedures established under this section.

(e) Within three schooldays following the hearing, the hearing officer or administrative panel shall determine whether to recommend the expulsion of the pupil to the governing board. If the hearing officer or administrative panel decides not to recommend expulsion, the expulsion proceedings shall be terminated and the pupil shall be immediately reinstated and permitted to return to a classroom instructional program, any other instructional program, a rehabilitation program, or any combination of these programs. Placement in one or more of these programs shall be made by the superintendent of schools or the superintendent's designee after consultation with school district personnel, including the pupil's teachers, and the pupil's parent or guardian. The decision not to

recommend expulsion shall be final.

(f) If the hearing officer or administrative panel recommends expulsion, findings of fact in support of the recommendation shall be prepared and submitted to the governing board. All findings of fact and recommendations shall be based solely on the evidence adduced at the hearing. If the governing board accepts the recommendation calling for expulsion, acceptance shall be based either upon a review of the findings of fact and recommendations submitted by the hearing officer or panel or upon the results of any supplementary hearing conducted pursuant to this section that the governing board may order.

The decision of the governing board to expel a pupil shall be based upon substantial evidence relevant to the charges adduced at the expulsion hearing or hearings. Except as provided in this section, no decision to expel shall be based solely upon hearsay evidence. The governing board or the hearing officer or administrative panel may, upon a finding that good cause exists, determine that the disclosure of the identity of a witness and the testimony of that witness at the hearing would subject the witness to an unreasonable risk of harm. Upon this determination, the testimony of the witness may be presented at the hearing in the form of sworn declarations which shall be examined only by the governing board or the hearing officer or administrative panel. Copies of these sworn declarations which are edited in such a manner as to delete the name and identity of the witness, shall be made available to the pupil.

(g) A record of the hearing shall be made. The record may be maintained by any means, including electronic recording, so long as a reasonably accurate and complete written transcription of the proceedings can be made.

(h) Technical rules of evidence shall not apply to the hearing, but relevant evidence may be admitted and given probative effect only if it is the kind of evidence upon which reasonable persons are accustomed to rely in the conduct of serious affairs. A decision of the governing board to expel shall be supported by substantial evidence showing that the pupil committed any of the acts enumerated in Section 48900.

(i) Whether an expulsion hearing is conducted by the governing board or before a hearing officer or administrative panel, final action to expel a pupil shall be taken only by the governing board in a public session. Written notice of any decision to expel or to suspend the enforcement of an expulsion order during a period of probation shall be sent to the pupil or the pupil's parent or guardian and shall be accompanied by notice of the right to appeal the expulsion to the county board of education.

A decision of the governing board whether to expel a pupil shall be made within 10 schooldays following the conclusion of the hearing, unless the pupil requests in writing that the decision be postponed.

(j) The governing board shall maintain a record of each expulsion,

including the cause therefor. Records of expulsions shall be a nonprivileged, disclosable public record.

The expulsion order and the causes therefor shall be recorded in the pupil's mandatory interim record and shall be forwarded to any school in which the pupil subsequently enrolls upon receipt of a request from the admitting school for the pupil's school records.

SEC. 14. Section 52048 of the Education Code is amended to read:

52048. (a) It is the intent of the Legislature that the funding system for school improvement programs, as prescribed by Section 52046, be simplified and equalized to the end that all districts have available for ongoing efforts one hundred six dollars ($106) per pupil enrolled in kindergarten and grades 1 through 6, adjusted in the 1985–86 fiscal year and each fiscal year thereafter by the same percentage increase made in base revenue limits for unified school districts with over 1,500 units of average daily attendance.

(b) In order to promote this intent, the Superintendent of Public Instruction shall allocate any cost-of-living adjustment for school improvement programs in a kindergarten and grades 1 through 6 as follows:

(1) For any school district which received an allocation in the prior year, compute the product of one hundred six dollars ($106), adjusted for increases in base revenue limits as specified in subdivision (a), multiplied by 80 percent of the prior year enrollment in kindergarten and grades 1 through 6.

(2) For any district which received an allocation for kindergarten and grades 1 through 6 in the prior year which was less than the product computed in paragraph (1), allocate funds to the district equivalent to the percentage increase approved by the Legislature as the cost-of-living adjustment for school improvement, except that the allocation to the district for kindergarten and grades 1 through 6 shall not exceed the amount computed in paragraph (1).

(c) The governing board of any school district receiving funds for school improvement programs in kindergarten and grades 1 through 6 may elect to allocate those funds to any school or schools in the district for use in kindergarten and grades 1 through 6 for the operation of school improvement programs in accordance with the provisions of this chapter, provided that the allocation to any school shall not be reduced to less than 80 percent of the school's prior year enrollment in kindergarten and grades 1 through 6 multiplied by one hundred six dollars ($106) adjusted pursuant to subdivision (a).

(d) Any funds appropriated by the Legislature for a cost-of-living adjustment for school improvement programs for kindergarten and grades 1 through 6 which are not allocated by the Superintendent of Public Instruction as a result of the implementation of subdivision (b) shall be allocated by the superintendent in accordance with subdivision (e).

(e) The Superintendent of Public Instruction shall allocate any additional funds appropriated by the Legislature for the implementation of school improvement programs in kindergarten and grades

1 through 6, plus any funds remaining unallocated pursuant to subdivision (d), to school districts on an application basis. Such funds shall be allocated to school districts in accordance with criteria established by the State Board of Education in order to promote the simplification and equalization of school improvement funding in kindergarten and grades 1 through 6. No funds shall be allocated pursuant to this subdivision to a school district which is receiving school improvement funding for kindergarten and grades 1 through 6 in an amount equal to or greater than the amount computed in paragraph (1) of subdivision (b).

(f) The Superintendent of Public Instruction may waive the planning requirements prescribed pursuant to subdivision (a) of Section 52046, if the school district certifies that school improvement funds may be utilized effectively without preplanning. Nothing in this subdivision shall be construed to allow the use of school improvement funds in any school without a school level plan developed pursuant to this chapter.

The provisions of this section shall become operative July 1, 1984.

SEC. 15. Section 52049 of the Education Code is repealed.

SEC. 16. Section 52049 is added to the Education Code, to read:

52049. Schools which receive funds for pupils in specified grade levels may use those funds for pupils in any grade level in the school, provided that funds are used in accordance with a plan approved pursuant to Section 52034.

SEC. 17. Section 54060 of the Education Code is amended to read:

54060. (a) For the 1980–81 fiscal year and each year thereafter, the Superintendent of Public Instruction shall:

(1) Identify the unified school districts which received state allocations during the 1976–77 fiscal year pursuant to Section 54002, and determine those districts which have more than 12,022 students in average daily attendance in fiscal year 1975–76, and either of the following criteria:

(A) The product of the district factor determined pursuant to Section 54002 and the count for the 1975–76 fiscal year of children from families receiving aid to families with dependent children is equal to or greater than 3,731.

(B) The district's index of family poverty determined pursuant to subdivision (b) of Section 54002 is greater than 1.5 and the total minority population in the district determined pursuant to the Racial and Ethnic Survey of 1973 is greater than 55 percent.

(2) For districts so identified, multiply the factor determined pursuant to Section 54002 by the district's aid to families with dependent children count for the 1975–76 fiscal year by the factor computed pursuant to subdivision (b) of Section 42238 and by a factor of 1.1 for districts having an average daily attendance greater than 58,800 in the 1975–76 fiscal year. The superintendent shall total the result for such districts and shall divide that sum into the amount appropriated by the Legislature for the purposes of this subdivision for the fiscal year in question.

(3) Allocate to such districts an amount computed by multiplying the per unit amount in paragraph (2) by the district's factor, and by the district's aid to families with dependent children count for the 1975–76 fiscal year. The amounts allocated pursuant to this paragraph shall be in addition to other amounts computed under this chapter.

(b) For the 1984–85 fiscal year and each fiscal year thereafter, the Superintendent of Public Instruction shall do all of the following:

(1) Identify those high school districts and their feeder school districts which, if the feeder districts had been unified with their high school district, would meet all of the following criteria:

(A) Districts which in the 1983–84 fiscal year would have had a composite factor of 0.9 or greater, calculated pursuant to subdivision (a) of Section 54023.

(B) Districts which in the 1982–83 fiscal year had a combined base average daily attendance of more than 12,002.

(C) Districts which in October 1982 had a combined count of children from families receiving Aid to Families with Dependent Children which, when multiplied times their composite factor determined pursuant to subparagraph (A), yielded a product of 3,731 or more.

(2) For each identified individual high school and feeder district, multiply each district's factor, determined pursuant to subdivision (a) of Section 54023 by the district's Aid to Families with Dependent Children count of October 1982, by the district's 1984–85 base revenue limit per unit of average daily attendance computed pursuant to subdivision (b) of Section 42238, as enacted by Chapter 498 of the Statutes of 1983.

(3) The superintendent shall total the results computed pursuant to paragraph (1) and shall divide that sum into the amount appropriated for the purposes of this subdivision for the fiscal year in question. The superintendent shall allocate to each district the quotient multiplied by each district's amount determined in paragraph (2).

(c) The allowance received shall be deposited in the general fund of each recipient district and may be used for any purpose for which other funds so deposited may be used and shall not be included in the computation of the revenue limit of the district.

(d) For the 1984–85 fiscal year and each fiscal year thereafter, any funds appropriated for purposes of this section shall first be allocated for funding the entitlements in subdivision (a) for the prior fiscal year. Thereafter, any remaining funds shall be allocated for purposes of subdivision (b) in that fiscal year. However, in the 1984–85 fiscal year, the entitlement for subdivision (a) from the prior fiscal year shall be increased by the 1984–85 fiscal year cost-of-living adjustment. In each subsequent fiscal year, any funds appropriated for purposes of making a cost-of-living adjustment for the provisions of this section shall be distributed between subdivisions (a) and (b) proportionately to the total prior year allocation for each subdivision.

SEC. 18. Section 54120 of the Education Code is amended to read:

54120. The governing board of any school district maintaining elementary schools, in order to provide reading instruction under the provisions of this chapter, may appoint any elementary school teacher to a reading specialist position if the appointee has met the following minimum requirements:

(a) Holds a Reading Specialist Credential issued pursuant to Section 44265 or a Miller-Unruh Reading Specialist Certificate.

(b) Has completed three years as a successful teacher in any of grades 1 to 6, inclusive.

(c) Is fully credentialed by the state to teach in kindergarten or any of grades 1 to 6, inclusive.

(d) Successfully completed the following college or university courses:

(1) A basic course in the teaching of elementary school reading.

(2) A basic course in the teaching of elementary school language.

(3) A basic course in the diagnosis and remediation of reading disabilities.

(4) A course in directed clinical practice in the remediation of reading disabilities. The course may be concurrent with the first year as a reading specialist.

The requirements specified in subdivision (d) are not applicable to reading specialists with valid reading specialist credentials issued pursuant to Section 44265, or Miller-Unruh Reading Specialist Certificates issued prior to September 29, 1983.

SEC. 18.5. Section 62000 of the Education Code is amended to read:

62000. "Sunset" and "sunset date," as used in this part, mean the date on which specific categorical programs cease to be operative and the provisions of Sections 62002, 62003, 62004, 62005, and 62005.5 govern program funding.

The following educational programs shall cease to be operative on the date specified, unless the Legislature enacts legislation to continue the program after the review prescribed in Section 62006:

(a) Sunset date of June 30, 1985:

(1) Demonstration programs in reading and mathematics.

(2) Local staff development and teacher education and computer centers.

(3) Professional development centers.

(4) Instructional materials.

(b) Sunset date of June 30, 1986:

(1) Miller-Unruh Basic Reading Act of 1965.

(2) School improvement program.

(3) Indian early childhood education.

(4) Economic impact aid.

(5) Bilingual education.

(c) Sunset date of June 30, 1987:

(1) Special education.

(2) Gifted and talented education.

(d) Sunset date of June 30, 1988:

(1) Child development and preschool programs.
(2) Adult education.
(3) Indian education centers.

SEC. 19. Section 60247 of the Education Code, as added by Chapter 323 of the Statutes of 1983, is amended and renumbered to read:

60251. The Superintendent of Public Instruction may allocate to school districts, funds which were recovered from publishers and deposited into the Instructional Materials Fund as result of proceedings against the publishers.

SEC. 20. Section 64000 of the Education Code is amended to read:

64000. (a) The provisions of this part shall apply to applications for funds under the following categorical programs:

(1) School library programs pursuant to Chapter 2 (commencing with Section 18100) of Part 11.

(2) Staff development centers and programs pursuant to Chapter 3.1 (commencing with Section 44670) of Part 25.

(3) School improvement programs pursuant to Chapter 6 (commencing with Section 52000) of Part 28.

(4) Bilingual education programs pursuant to Article 3 (commencing with Section 52160) of Chapter 7 of Part 28.

(5) School-based coordinated categorical programs pursuant to Chapter 12 (commencing with Section 52800) of Part 28.

(6) Economic Impact Aid programs pursuant to Chapter 1 (commencing with Section 54000) of Part 29.

(7) The Miller-Unruh Basic Reading Act of 1965 pursuant to Chapter 2 (commencing with Section 54100) of Part 29.

(8) Compensatory education programs pursuant to Chapter 4 (commencing with Section 54400) of Part 29, except for programs for migrant children pursuant to Article 3 (commencing with Section 54440) of Chapter 4 of Part 29.

(b) Each school district shall submit to the State Department of Education, for approval by the State Board of Education, a single consolidated application for approval or continuance of categorical programs subject to this part.

SEC. 21. Section 69601 of the Education Code is amended to read:

69601. No applicant for participation in the California Teacher Shortage Loan Assumption Program shall be eligible for participation unless he or she satisfies all of the following requirements:

(a) The applicant holds a baccalaureate degree and is academically qualified to teach mathematics, science, or other critical shortage fields as defined by the Superintendent of Public Instruction.

(b) In order to meet costs associated with obtaining a baccalaureate degree, or a California teaching credential, in any of the areas specified in subdivision (a), the applicant has received a loan under one of the following programs:

(1) The federal Guaranteed Student Loan Program (GSLP).

(2) The National Direct Student Loan Program (NDSLP). The federal regulations pertaining to cancellation of a direct loan shall supersede the provisions of this article where applicable.

(3) Any other loan program approved by the Student Aid Commission.

(c) The applicant has agreed to teach in a California public school for at least three consecutive academic years after obtaining a teaching credential.

SEC. 22. Section 69601.5 of the Education Code is amended to read:

69601.5. Teachers employed by a school district providing classroom instruction in the fields of mathematics, science, and other areas with a shortage of teachers, as determined by the Superintendent of Public Instruction, shall be eligible for participation in the California Teacher Shortage Loan Assumption Program.

SEC. 23. Section 69604 of the Education Code is repealed.

SEC. 24. Section 69606 of the Education Code is amended to read:

69606. (a) The Superintendent of Public Instruction shall furnish the Student Aid Commission with a list of school districts which have a shortage of trained teachers in mathematics, science, and other critical shortage fields, and shall revise this list as he or she deems necessary.

(b) For purposes of loan assumption pursuant to Section 69607, the commission shall credit only teaching service by program participants in school districts included on the list furnished by the Superintendent of Public Instruction pursuant to subdivision (a).

SEC. 25. Section 69607 of the Education Code is amended to read:

69607. The terms of the loan assumption program shall be as follows:

(a) After a program participant has completed one school year of teaching service, the Student Aid Commission shall assume up to a maximum of two thousand dollars ($2,000) of the participant's outstanding loan liability.

(b) After a program participant has completed two consecutive school years of teaching service, the Student Aid Commission shall assume up to a maximum of an additional three thousand dollars ($3,000) of the participant's outstanding loan liability, for a total loan assumption equal to five thousand dollars ($5,000).

(c) After a program participant has completed three consecutive school years of teaching service, the Student Aid Commission shall assume up to a maximum of an additional three thousand dollars ($3,000) of the participant's outstanding loan liability under the loan programs specified in subdivision (b) of Section 69601, for a total loan assumption equal to up to a maximum of eight thousand dollars ($8,000).

For purposes of this section, "school year" means 175 days or its equivalent.

SEC. 26. Section 69608 of the Education Code is amended to read:

69608. (a) Except as provided in subdivision (b), in the event that a program participant fails to complete a minimum of three consecutive school years of teaching service, under the terms of the agreement pursuant to subdivision (c) of Section 69601, the partici-

pant shall assume full liability for all student loan obligations remaining after the commission's assumption of loan liability for the last year of qualifying teaching service pursuant to Section 69607.

(b) Notwithstanding subdivision (a), in the event that a program participant becomes unable to complete one of the three consecutive years of teaching service due to serious illness, pregnancy, or other natural causes, the participant shall receive a deferral of the resumption of full liability for the loan for a period not to exceed one calendar year.

SEC. 27. Section 69609 of the Education Code is amended to read:

69609. By the 1985–86 school year, the commission shall provide for the assumption of up to 500 student loans for eligible program participants. Each school year thereafter, the commission shall provide for the assumption of up to an additional 500 student loans for eligible program participants, subject to funding to be provided in the Budget Act for each fiscal year.

SEC. 27.5. Section 3 of Chapter 46 of the Statutes of 1984 is amended to read:

Sec. 3. Acceptance by the Alameda County Office of Education of the apportionments made pursuant to Sections 2 and 7 of this act shall constitute agreement by the county office to the following conditions, in addition to those specified in Section 4 of this act:

(a) The Alameda County Office of Education shall provide written notification to all of the school districts enumerated in Section 7 of this act that the Alameda County Office of Education will discontinue the provision of transportation services for individuals with exceptional needs, other than for its own special education program, on July 1, 1984.

Upon mutual agreement by the Alameda County Office of Education and the school districts or special education local planning agents, the applicable contracts for transportation services may be assigned or negotiated.

(b) The Alameda County Office of Education shall agree to pay at least one-half of the difference between the full transportation entitlement in the 1984–85 fiscal year, based on services provided in the 1983–84 fiscal year, and the actual amount received from the state in lieu of that entitlement.

SEC. 28. Provision (3) of Item 6100-101-001 of Chapter 324 of the Statutes of 1983 is amended to read:

3. For the 1983–84 fiscal year, the Superintendent of Public Instruction shall allocate the funds appropriated in schedule (e) of Provision 2 of this item in the following manner:
   (a) The Superintendent of Public Instruction shall certify for apportionment to each ROC/P in the 1983–84 fiscal year an amount calculated as follows:
      (1) Multiply the 1982–83 ROC/P's base revenue limit per unit of average daily

attendance determined pursuant to subdivisions (a) and (b) of Provision 4 of Item 6100-101-001 of Chapter 326, Statutes of 1982, by the ROC/P's 1983–84 fiscal year annual average daily attendance that is equal to or less than the ROC/P's annual average daily attendance in the 1981–82 fiscal year.

(2) For annual average daily attendance in the 1983–84 fiscal year that is greater than the annual average daily attendance in the 1981–82 fiscal year, add to the amount certified pursuant to paragraph (1) of this subdivision an amount equal to the statewide average revenue limit per unit of average daily attendance determined pursuant to paragraph (2) of subdivision (c) of Provision 4 of Item 6100-101-001 of Chapter 326, Statutes of 1982, multiplied by the difference in annual ADA between the 1981–82 and 1983–84 fiscal years.

(b) If the amount claimed for apportionment to ROC/Ps is greater than the amount appropriated for such claims, the Superintendent of Public Instruction shall compute an allowable growth factor for each district, county office, or joint powers agency operating regional occupational centers and programs according to the following formula:

$$G = \left[\frac{(F \times .10 \times H) + F \times .05 \times A)}{H + A} \times P \right] + \frac{L \times P}{H + A}$$

where:

(1) "G" is the allowable growth factor for the 1983–84 fiscal year.

(2) "H" is the 1981–82 fiscal year high school average daily attendance in the ROC/P.

(3) "A" is the 1981–82 fiscal year adult average daily attendance in the ROC/P.

(4) "F" is the difference between 1.0 and the quotient of subdivision (h) of Provision 4 of Item 6100-101-001 of the Budget Act of 1982, divided by the sum of paragraphs (2) and (3) of subdivision (g) of Provision 4 of that item.

(5) "L" is any average daily attendance allocated to the ROC/P in 1982–83 pursuant to subdivision (h) of Provision 4 of Item 6100-101-001 of the Budget Act of 1982.

(6) "P" is equal to 1.10 or such lesser number as may be determined by the Superintendent of Public Instruction after allocating the funds specified in subdivision (e) of this provision.

Any reduction in allocations shall apply only to the claims of districts, county offices, or joint powers agencies on account of average daily attendance in ROC/Ps in excess of the amount computed by the following formula: (H + A) x (1.0 + G) where the symbols are as defined above.

(c) The funds appropriated pursuant to this item shall be allocated by the Superintendent of Public Instruction to each school district or county office of education operating the ROC/P based on the school district's or county office of education's 1982–83 pro rata share of the funds being allocated.

(d) Notwithstanding any other provision of law, the funds allocated pursuant to this provision from category (e) of Provision 2 of this item and funds provided in Schedule (a) (5) of Item 6100-226-001 of this act shall be the only funds allocated for the purpose of funding ADA in ROC/Ps. A school district which is part of a joint powers ROC/P may claim ADA in 1982–83 because of participation of pupils in an ROC/P only in accordance with this provision.

(e) An amount not to exceed $200,000 from the funds specified in schedule (e) of Provision 2 of this item shall be allocated by the Superintendent of Public Instruction to fund additional units of average daily attendance in ROC/Ps, at the rate specified for growth average daily attendance in paragraph (2) of subdivision (a) of this provision, which experienced annexation of service territory not previously included in a ROC/P during 1982–83.

(f) For purposes of Section 2558 of the Education Code, the Superintendent of Public Instruction shall deduct from the funding

entitlement of each ROC/P operated by a county office of education, as determined pursuant to Provision 3, any local revenue which would otherwise be deemed restricted and not available for expenditure in the current fiscal year pursuant to subdivision (d) of that section. The local revenue so deducted shall be utilized by the county office of education for support of the ROC/P. This subdivision is declaratory of existing law applicable during the 1982–83 fiscal year.

SEC. 29. The Legislative Analyst shall conduct a study to be completed on or before January 1, 1985, relative to the distribution of Urban Impact Aid. The study shall include all of the following:

(a) A reassessment of the rationale and purposes of Urban Impact Aid funding.

(b) An examination of the distribution of Urban Impact Aid relative to whether that distribution results in wealth-related expenditure disparities among school districts.

(c) Recommendations for the development of alternatives for the distribution of Urban Impact Aid, which involve the phasing in of updated data and the assessment of the probable fiscal and programmatic impact of each alternative.

(d) Recommendations for legislative action on the distribution of Urban Impact Aid for the 1985–86 fiscal year.

SEC. 30. The Superintendent of Public Instruction shall calculate for the 1983–84 fiscal year apportionments to county superintendents of schools in accordance with the requirements of subparagraph (B) of paragraph (1) of subdivision (c) of Section 2550, as amended by Section 2 of this act.

SEC. 31. It is the intent of the Legislature that revisions to the allocation of funds apportioned to regional occupational centers and programs made pursuant to Section 28 of this act shall be applied retroactively for the 1983–84 fiscal year.

SEC. 32. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to implement the changes incorporated in the provisions of this bill at the earliest possible time, and so facilitate the orderly administration of the public school system, it is necessary that this act take effect immediately.