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# STATUTES OF CALIFORNIA

EXTRA SESSION OF THE FIFTY-SECOND  
LEGISLATURE, 1938

BEGAN MONDAY, MARCH SEVENTH, AND  
ADJOURNED SATURDAY, MARCH TWELFTH,  
NINETEEN HUNDRED THIRTY-EIGHT

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# PROCLAMATION BY THE GOVERNOR CONVENING THE LEGISLATURE IN EXTRAORDINARY SESSION

EXECUTIVE DEPARTMENT,  
STATE OF CALIFORNIA.

WHEREAS, An extraordinary occasion has arisen and now exists, requiring that the Legislature of the State of California be convened; now, therefore,

I, Frank F. Merriam, Governor of the State of California, by virtue of the power and authority in me vested by section 9 of Article V of the Constitution of the State of California, do hereby convene the Legislature of the State of California to meet and assemble in extraordinary session, at Sacramento, California, on Monday, the seventh day of March, one thousand nine hundred thirty-eight, at one o'clock p. m. of said day, for the following purposes and to legislate upon the following subjects, to wit:

1. To consider and act upon an act relating to lands owned by the State, creating a State Lands Commission and prescribing its duties and powers with respect to such lands, and particularly the protection and extraction of oil and gas deposits and other minerals from such lands of the State.
2. To consider and act upon an act to create public bodies corporate and politic to be known as housing authorities to undertake slum clearance and projects to provide dwelling accommodations for persons of low income, and to prescribe the powers and duties of such housing authorities.
3. To consider and act upon an act declaring slum clearance and housing projects to be public uses in behalf of which the right of eminent domain may be exercised.
4. To consider and act upon an act to authorize cities, cities and counties, towns, counties, and other public bodies to aid housing projects of housing authorities or of the United States of America by furnishing parks, playgrounds, streets, and other improvements and facilities, by exercising certain other powers and by making agreements relating to such aid; to authorize cities, cities and counties, towns, counties and other political subdivisions to contract with respect to the sums to be paid them for improvements, services and facilities to be provided for the benefit of housing projects; to require certain cities, cities and counties, and counties to make an appropriation for the first year's administrative expenses of housing authorities; and to authorize certain cities, cities and counties, towns and counties to pay moneys to housing authorities.
5. To consider and act upon an act to exempt the property and bonds of housing authorities from taxation and assessments and to authorize certain payments in lieu of such taxes and assessments.
6. To consider and act upon an act to amend Chapter 754 of the Statutes of 1933 relating to the institution and enforcement of agricultural proration programs.
7. To consider and act upon an act providing for the establishment and enforcement of personnel standards for the personnel of the counties engaged in the administration of aid to the needy aged, aid to the needy blind, and aid to needy children.
8. To consider and act upon an act to enable building and loan associations to obtain all of the advantages permitted by the National Housing Act by defining,

extending and providing for the loans, advances of credit, insurance, and purchases of obligations which may be made pursuant to the National Housing Act.

9. To consider and act upon the proposal to the people of the State of California at the general election in November, 1938, of an amendment to the Constitution of the State of California relating to the retirement of judges and justices.
10. To consider and act upon an act to prescribe the fees of jurors in criminal cases in municipal courts.
11. To consider and act upon an act to add to the State highway system a new secondary highway to be known as Route 208 from Route 1 near Preston to the Geysers.
12. To consider and act upon an act to set up a procedure to determine the validity of tax sales and tax deeds and the taxes for any year since a tax sale and, if invalid, to correct the causes of invalidity and render the sales and deeds valid, and stating the powers and duties of public officers in relation to tax sales, tax deeds, and redemptions.
13. To consider and act upon an act to amend sections 1, 2, 12, 17, and 20 of the Refunding Assessment Bond Act of 1935, relating to refunding the indebtedness of special improvement districts, and to validate refunding proceedings heretofore taken, refunding assessments heretofore levied, and refunding bonds heretofore issued under such act.
14. To consider and act upon an act to amend sections 1, 2, 12, and 15 of the Assessment Bond Refunding Act of 1933, relating to refunding the indebtedness of special improvement districts, and to validate refunding proceedings heretofore taken, refunding reassessments heretofore levied, and refunding bonds heretofore issued under such act.
15. To consider and act upon legislation concerning the taxation of insurers to carry into effect the constitutional amendment relating thereto.
16. To consider and act upon an amendment to the Constitution of the State, for proposal to the people at the general election to be held in November, 1938, providing for taxation of insurers.
17. To consider and act upon an act to authorize the California Commission for the Golden Gate International Exposition to procure insurance.
18. To consider and act upon an act to provide for the establishment and maintenance of portions of the State exhibit in connection with the Golden Gate International Exposition upon property of district agricultural associations, to authorize contracts between the California Commission for the Golden Gate Exposition, any institution, corporation or association, and district agricultural associations, and to permit, for that purpose, allocation of funds heretofore appropriated.
19. To consider and act upon an act to empower district agricultural associations to lease, let, or grant licenses to use, property of the association, to contract with corporations or associations, or with State agencies, for the conduct of exhibitions and contests upon such property, and to provide for the manner of conducting such exhibitions or contests.
20. To consider and act upon an amendment to the Constitution of the State, for proposal to the people at the general election to be held in November, 1938, transferring to the Department of Social Welfare all duties, powers, purposes, responsibilities, property, unexpended moneys, and jurisdiction of the Relief Administration, including the Relief Commission and the Relief Administrator; abolishing the Relief Administration, the Relief Commission, the office of the Relief Administrator, and the offices and positions of all deputies, officers, and employees of or under any of them; and providing for the retention in State service, subject to the civil service laws and on terms and conditions prescribed, of salaried officers and employees holding positions abolished thereby.
21. To consider and act upon legislation providing for the payment of delinquent taxes in installments and for redemption with reduction in or elimination of penalties in respect to delinquent State and county taxes and assessments on real estate.

22. To consider and act upon an act relating to apportionment of moneys, otherwise appropriated, to counties and district agricultural associations for the encouragement of agricultural fairs, and the expenditure of and accounting for such moneys.
23. To consider and act upon an act to provide for the annexation of uninhabited territory to municipal corporations.
24. To consider and act upon an act to validate bonds of all school districts, high school districts and junior college districts of every kind and character.
25. To consider and act upon an act to validate bonds of municipal corporations.
26. To approve or reject amendments to the charter of the City of San Jose ratified by the electors of that city at an election held on October 19, 1937.
27. To approve or reject an amendment to the charter of the City and County of San Francisco ratified by the electors of that city and county at an election held on November 2, 1937.
28. To approve or reject amendments to the charter of the County of San Mateo ratified by the electors of that county at an election held on June 22, 1937.
29. To approve or reject amendments to the charter of the City of Santa Monica ratified by the electors of that city at an election held on December 7, 1937.
30. To consider and act upon an act to appropriate additional moneys in the sum of three million dollars to the emergency fund created by Chapter 157 of the Statutes of 1937.
31. To consider and act upon an act to appropriate additional moneys in the sum of four million nine hundred thousand dollars for expenditure during the eighty-ninth and ninetieth fiscal years for the relief of hardship and destitution due to and caused by unemployment, as provided by the California Unemployment Relief Act of 1935.
32. To consider and act upon a joint resolution relating to the acceptance of a permit from the United States Government for rights of way through the Presidio of San Francisco for the construction of a portion of a State highway, and relating to the retrocession by the Congress of the United States of jurisdiction over the rights of way.
33. To consider and act upon an act to clarify the status and define the rights of retired and active employees of the University of California with respect to the State Employees' Retirement System.
34. To consider and act upon an act to appropriate, from moneys received under the Use Fuel Tax Act of 1937, moneys for the administration of said act and for the repair, reconstruction of, or additions to, those bridges on State highways which have been posted for less than legal speeds or weights.
35. To consider and act upon an act regulating the issuance and redemption of bonds and fixing of tolls by the California Toll Bridge Authority in connection with the San Francisco-Oakland Bay Bridge; and, in the event of insufficiency of revenues therefor, making an annual appropriation of money from that portion of the State highway fund available for State highway purposes in the northern California counties, to guarantee redemption of such bonds.
36. To approve or reject amendments to the charter of the City of Alhambra ratified by the electors of that city at an election held on the 8th day of June, 1937.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this fifth day of March in the year of our Lord one thousand nine hundred thirty-eight.

[SEAL]

FRANK F. MERRIAM,  
Governor of California.

ATTEST: FRANK C. JORDAN, Secretary of State.  
By CHAS. J. HAGERTY, Deputy Secretary of State.



PROCLAMATION BY THE GOVERNOR  
AMENDING THE PROCLAMATION CONVENING  
THE LEGISLATURE IN EXTRAORDINARY  
SESSION

EXECUTIVE DEPARTMENT,  
STATE OF CALIFORNIA.

WHEREAS, The Legislature of the State of California convened on March 7, 1938, in extraordinary session, pursuant to a proclamation of the Governor dated March 5, 1938, and is now in session; and

WHEREAS, On account of extraordinary occasions which have arisen and now exist, it is deemed desirable and necessary to submit additional subjects to the Legislature for consideration; now, therefore.

I, FRANK F. MERRIAM, by virtue of the power vested in me by law, do issue this my proclamation amending the aforesaid proclamation convening the Legislature of the State of California, by adding the following purposes thereto, and thereby permitting the Legislature to legislate upon the following subjects, to wit:

37. To consider and act upon an act to appropriate, in addition to aid otherwise provided to counties, \$6,000,000 to the counties of the State for maintaining or supporting aged persons who come within the provision of the Old Age Security Law.

38. To consider and act upon an amendment to Chapter six hundred nine (609) of the Statutes of 1931 prohibiting the sale of motor vehicle fuels at less than the price displayed and preventing the evasion of such prohibition.

39. To consider and act upon an act relating to soil conservation through the prevention or control of soil erosion, and to create a soil conservation committee and to define its duties and authority.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this tenth day of March in the year of our Lord one thousand nine hundred thirty-eight.

[SEAL]

FRANK F. MERRIAM,  
Governor of California.

ATTEST: FRANK C. JORDAN, Secretary of State.

By CHAS. J. HAGERTY, Deputy Secretary of State.

PROCLAMATION BY THE GOVERNOR  
AMENDING THE PROCLAMATION CONVENING  
THE LEGISLATURE IN EXTRAORDINARY  
SESSION

EXECUTIVE DEPARTMENT,  
STATE OF CALIFORNIA.

WHEREAS, The Legislature of the State of California convened on March 7, 1938, in extraordinary session, pursuant to a proclamation of the Governor dated March 5, 1938, and is now in session; and

WHEREAS, On account of extraordinary occasions which have arisen and now exist, it is deemed desirable and necessary to submit additional subjects to the Legislature for consideration; now, therefore,

I, FRANK F. MERRIAM, by virtue of the power vested in me by law, do issue this my proclamation amending the aforesaid proclamation convening the Legislature of the State of California, by adding the following purposes thereto, and thereby permitting the Legislature to legislate upon the following subjects, to wit:

40. To consider and act upon an act declaring associations mentioned in section 94 of the Agricultural Code instrumentalities of the State for the purposes therein mentioned, and providing for the escheat to the State of the property of such associations upon the dissolution thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this twelfth day of March in the year of our Lord one thousand nine hundred thirty-eight.

[SEAL]

FRANK F. MERRIAM,  
Governor of California.

ATTEST: FRANK C. JORDAN, Secretary of State.

*By* CHAS. J. HAGERTY, Deputy Secretary of State.

# STATUTES OF CALIFORNIA

PASSED AT THE

EXTRA SESSION OF THE FIFTY-SECOND LEGISLATURE

## CHAPTER 1.

*An act to provide that the property and bonds of housing authorities shall be exempt from taxation and assessments; to authorize certain payments in lieu of such taxes and assessments; and to provide that this act shall take effect immediately.*

[Approved by the Governor March 21, 1938. Filed with Secretary of State March 21, 1938 In effect immediately ]

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

SECTION 1. It has been found and declared in the Housing Authorities Law and the Housing Cooperation Law (a) that there exist in the State housing conditions which constitute a menace to the health, safety, morals and welfare of the residents of the State; (b) that these conditions necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident prevention, and other public services and facilities; (c) that the public interest requires the remedying of these conditions by the creation of housing authorities to undertake projects for slum clearance and for providing safe and sanitary dwelling accommodations for persons who lack sufficient income to enable them to live in decent, safe and sanitary dwellings without overcrowding; and (d) that such housing projects are for public uses and purposes and are governmental functions of State concern. As a matter of legislative determination, it is hereby found and declared that the property and bonds of a housing authority are of such character as shall be exempt from taxation.

Declaration  
of policy.  
Stats. Ex  
Sess. 1938,  
Ch. 4,  
Stats. Ex.  
Sess. 1938,  
Ch. 2.

SEC. 2. The property of housing authorities shall be exempt from all taxes and special assessments of the State or any city, city and county, county, town or political subdivision of the State; provided, however, that in lieu of such taxes or special assessments a housing authority may agree to make payments to any city, city and county, county, town or political subdivision of the State for services, improvements or facilities furnished by such city, city and county, county, town or political subdivision for the benefit of a housing project owned by the housing authority, but in no event shall such payments exceed the estimated cost to such city, city and county, county, town or political subdivision of the services, improvements or facilities to be so furnished.

Tax exemp-  
tion of  
property of  
housing  
authorities.  
Payments  
for services  
and  
facilities

SEC. 3. The bonds of a housing authority are declared to be issued for an essential public and governmental purpose

Tax exemp-  
tion of  
bonds of  
housing  
authorities.

and, together with interest thereon and income therefrom, shall be exempt from all taxes.

Constitutionality

SEC. 4. Notwithstanding any other evidence of legislative intent, it is hereby declared to be the controlling legislative intent that if any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Urgency.

SEC. 5. This act is hereby declared to be an urgency measure necessary for the immediate preservation of public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

Unemployment and the existence of unsafe, insanitary and congested dwelling accommodations has produced an alarming economic condition in the State of California. The immediate adoption of this act will enable many housing projects to be undertaken in this State which otherwise can not be financed at this time. This development and construction will furnish employment to many persons now idle, and enable them to become self-supporting, and will alleviate the aforesaid housing conditions.

## CHAPTER 2.

"Housing Cooperation Law."

*An act to authorize cities, cities and counties, towns, counties, and other public bodies to aid housing projects of housing authorities or of the United States of America by furnishing parks, playgrounds, streets, and other improvements and facilities, by exercising certain other powers and by making agreements relating to such aid; to authorize cities, cities and counties, towns, counties and other political subdivisions to contract with respect to the sums to be paid them for improvements, services and facilities to be provided for the benefit of housing projects; to require certain cities, cities and counties, and counties to make an appropriation for the first year's administrative expenses of housing authorities; to authorize certain cities, cities and counties, towns and counties to pay moneys to housing authorities; and to declare an emergency.*

[Approved by the Governor March 21, 1938. Filed with Secretary of State March 21, 1938. In effect immediately.]

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

Short title.

Declaration of necessity and purpose. Stats. Ex. Sess. 1938, Ch. 4.

SECTION 1. Short Title. This act may be referred to as the "Housing Cooperation Law."

SEC. 2. Finding and Declaration of Necessity. It has been found and declared in the Housing Authorities Law that there

exist in the State unsafe and insanitary housing conditions and a shortage of safe and sanitary dwelling accommodations for persons of low income; that these conditions necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident protection, and other public services and facilities; and that the public interest requires the remedying of these conditions. It is hereby found and declared that the assistance herein provided for the remedying of the conditions set forth in the Housing Authorities Law constitutes a public use and purpose and an essential governmental function for which public moneys may be spent and other aid given; that it is a proper public purpose for any State public body to aid any housing authority operating within its boundaries or jurisdiction or any housing project located therein, as the State public body derives immediate benefits and advantages from such an authority or project; and that the provisions hereinafter enacted are necessary in the public interest.

SEC. 3. Definitions. The following terms, whenever used or referred to in this act shall have the following respective meanings, unless a different meaning clearly appears from the context: Definitions.

(a) "Housing authority" shall mean any housing authority created pursuant to the Housing Authorities Law of this State.

(b) "Housing projects" shall mean any work or undertaking of a housing authority pursuant to the Housing Authorities Law or any similar work or undertaking of the Federal government.

(c) "State public body" shall mean any city, city and county, town, county, borough, municipal corporation, commission, district, authority, other subdivision or public body of the State.

(d) "Governing body" shall mean the council, board of supervisors, board of trustees or other body having charge of the fiscal affairs of the State public body.

(e) "Federal government" shall mean the United States of America, the Federal Emergency Administration of Public Works, or any other agency or instrumentality, corporate or otherwise, of the United States of America.

SEC. 4. Cooperation in Undertaking Housing Projects. Powers of state public body in aiding projects  
For the purpose of aiding and cooperating in the planning, undertaking, construction or operation of housing projects located within the area in which it is authorized to act, any State public body may upon such terms, with or without consideration, as it may determine:

(a) Dedicate, sell, convey or lease any of its property to a housing authority or the Federal government; Dedication, etc., of property.

(b) Cause parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other Furnishing parks, etc

works which it is otherwise empowered to undertake, to be furnished adjacent to or in connection with housing projects;

Furnishing  
roads, etc.

(c) Furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads, roadways, alleys, sidewalks or other places which it is otherwise empowered to undertake,

Planning  
and zoning

(d) Plan or replan, zone or rezone any part of such State public body; make exceptions from building regulations and ordinances; any city, city and county, or town also may change its map;

Agreements

(e) Enter into agreements, (which may extend over any period, notwithstanding any provision or rule of law to the contrary) with a housing authority or the Federal government, respecting action to be taken by such State public body pursuant to any of the powers granted by this act; and

Aiding  
projects.

(f) Do any and all things, necessary or convenient to aid and cooperate in the planning, undertaking, construction or operation of such housing projects.

Invest-  
ments.

(g) Purchase or legally invest in any of the bonds of a housing authority and exercise all of the rights of any holder of such bonds.

Activities  
relating to  
construction  
of projects

(h) With respect to any housing project which a housing authority has acquired or taken over from the Federal government and which the housing authority by resolution has found and declared to have been constructed in a manner that will promote the public interest and afford necessary safety, sanitation and other protection, no State public body shall require any changes to be made in the housing project or the manner of its construction or take any other action relating to such construction.

Improve-  
ments, etc.

(i) In connection with any public improvements made by a State public body in exercising the powers herein granted, such State public body may incur the entire expense thereof. Any law or statute to the contrary notwithstanding, any sale, conveyance, lease or agreement provided for in this section may be made by a State public body without appraisal, public notice, advertisement or public bidding.

Contracts  
regarding  
payments  
for services

SEC. 5. Contracts for Payments for Services. In connection with any housing project located wholly or partly within the area in which it is authorized to act, any State public body may contract with a housing authority or the Federal government with respect to the sum or sums (if any) which the housing authority or the Federal government may agree to pay, during any year or period of years, to the State public body for the improvements, services and facilities to be furnished by it for the benefit of said housing project, but in no event shall the amount of such payments exceed the estimated cost to the State public body of the improvements, services or facilities to be so furnished; provided, however, that the absence of a contract for such payments shall in no way relieve any State public body from the duty to furnish, for the benefit of said housing project, customary improve-

ments and such services and facilities as such State public body usually furnishes without a service fee.

SEC. 6. Advances to Housing Authority. When any housing authority which is created for any city, city and county, or county becomes authorized to transact business and exercise its powers therein, the governing body of such city, city and county or county (as the case may be), shall immediately make an estimate of the amount of money necessary for the administrative expenses and overhead of such housing authority during the first year thereafter, and may appropriate such amount to the authority out of any moneys in such city, city and county, or county treasury not appropriated to some other purposes. The moneys so appropriated may be paid to the authority as a loan or donation. Any city, city and county, town or county located in whole or in part within the area of operation of a housing authority shall have the power from time to time to lend or donate money to the authority or to agree to take such action. The housing authority, when it has money available therefor, shall make reimbursements for all such loans made to it.

Appropriations to housing authorities

Loans and donations

SEC. 7. Procedure for Exercising Powers. The exercise by a State public body of the powers herein granted may be authorized by resolution of the governing body of such State public body adopted by a majority of the members of its governing body present at a meeting of said governing body, which resolution may be adopted at the meeting at which such resolution is introduced. Such a resolution or resolutions shall take effect immediately and need not be laid over or published or posted.

Resolution authorizing exercise of powers

SEC. 8. Supplemental Nature of Act. The powers conferred by this act shall be in addition and supplemental to the powers conferred by any other law.

Nature of powers conferred

SEC. 9. Severability. Notwithstanding any other evidence of legislative intent it is hereby declared to be the controlling legislative intent that if any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Constitutionality

SEC. 10. Emergency. This act is hereby declared to be an urgency measure necessary for the immediate preservation of public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

Urgency.

Unemployment and the existence of unsafe, insanitary and congested dwelling accommodations has produced an alarming economic and social condition in this State. The immediate adoption of this act will enable many housing projects to be undertaken in this State which otherwise can not be financed at this time. This development and construction will furnish

employment to many persons now idle, and enable them to become self-supporting, and will alleviate the aforesaid housing conditions.

### CHAPTER 3.

*An act to amend section 1238 of the Code of Civil Procedure, relating to the exercise of the right of eminent domain, and to provide that this act shall take effect immediately.*

[Approved by the Governor March 21, 1938. Filed with Secretary of State March 21, 1938. In effect immediately.]

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

Stats 1937,  
p. 487.

Eminent  
domain.

United  
States

State and  
State  
institutions

Public utili-  
ties, cities,  
counties,  
etc.

SECTION 1. Section 1238 of the Code of Civil Procedure is hereby amended to read as follows:

1238. Subject to the provisions of this title, the right of eminent domain may be exercised in behalf of the following public uses:

1. Fortifications, magazines, arsenals, navy yards, navy and army stations, lighthouses, range and beacon lights, coast surveys, and all other public uses authorized by the Government of the United States.

2. Public buildings and grounds for use of a State, or any State institution, or any institution within the State of California which is exempt from taxation under the provisions of section 1a, of Article XIII of the Constitution of the State of California, and all other public uses authorized by the Legislature of the State of California.

3. Any public utility, and public buildings and grounds, for the use of any county, incorporated city, or city and county, village, town, school district, or irrigation district, ponds, lakes, canals, aqueducts, reservoirs, tunnels, flumes, ditches, or pipes, lands, water system plants, buildings, rights of any nature in water, and any other character of property necessary for conducting or storing or distributing water for the use of any county, incorporated city, or city and county, village or town or municipal water district, or the inhabitants thereof, or any State institution, or necessary for the proper development and control of such use of said water, either at the time of the taking of said property, or for the future proper development and control thereof, or for draining any county, incorporated city, or city and county, village or town; raising the banks of streams, removing obstructions therefrom, and widening and deepening or straightening their channels; roads, highways, boulevards, streets and alleys; public mooring places for water craft; public parks, including parks and other places covered by water, and all other public uses for the benefit of any county, incorporated city, or city and county, village or town, or the inhabitants thereof, which may



be authorized by the Legislature; but the mode of apportioning and collecting the costs of such improvements shall be such as may be provided in the statutes by which the same may be authorized.

4. Wharves, docks, piers, warehouses, chutes, booms, ferries, bridges, toll roads, byroads, plank and turnpike roads; paths and roads either on the surface, elevated, or depressed, for the use of bicycles, tricycles, motorcycles and other horseless vehicles, steam, electric, and horse railroads, canals, ditches, dams, poundings, flumes, aqueducts and pipes for irrigation, public transportation, supplying mines and farming neighborhoods with water, and draining and reclaiming lands, and for floating logs and lumber on streams not navigable, and water, water rights, canals, ditches, dams, poundings, flumes, aqueducts and pipes for irrigation of lands furnished with water by corporations supplying water to the lands of the stockholders thereof only, and lands with all wells and water therein adjacent to the lands of any municipality or of any corporation, or person supplying water to the public or to any neighborhood or community for domestic use or irrigation.

Wharves,  
bridges,  
roads,  
ferries, etc

5. Roads, tunnels, ditches, flumes, pipes, aerial and surface tramways and dumping places for working mines; also outlets, natural or otherwise, for the flow, deposit or conduct of tailings or refuse matter from mines; also an occupancy in common by the owners or possessors of different mines of any place for the flow, deposit, or conduct of tailings or refuse matter from their several mines.

Roads,  
tunnels,  
flumes, etc

6. Byroads leadings from highways to residences, farms, mines, mills, factories and buildings for operating machinery, or necessary to reach any property used for public purposes.

Byroads

7. Telegraph, telephone, radio and wireless lines, systems and plants.

Communi-  
cations.

8. Sewerage of any incorporated city, city and county, or of any village or town, whether incorporated or unincorporated, or of any settlement consisting of not less than ten families, or of any buildings belonging to the State, or to any college or university, also the connection of private residences and other buildings, through other property, with the mains of an established sewer system in any such city, city and county, town or village.

Sewers

9. Roads for transportation by traction engines or road locomotives.

Engine  
roads.

10. Oil pipe lines.

Pipe lines.

11. Railroads, roads and flumes for quarrying, logging or lumbering purposes.

Quarrying  
or logging  
roads.

12. Canals, reservoirs, dams, ditches, flumes, aqueducts, and pipes and outlets natural or otherwise for supplying, storing, and discharging water for the operation of machinery for the purpose of generating and transmitting electricity for the supply of mines, quarries, railroads, tramways, mills, and factories with electric power; and also for the applying of elec-

Canals,  
reservoirs,  
dams, etc

tricity to light or heat mines, quarries, mills, factories, incorporated cities and counties, villages, towns, or irrigation districts; and also for furnishing electricity for lighting, heating or power purposes to individuals or corporations; together with lands, buildings and all other improvements in or upon which to erect, install, place, use or operate machinery for the purpose of generating and transmitting electricity for any of the purposes or uses above set forth.

Heat, light  
and power,  
etc.

13. Electric power lines, electric heat lines, electric light lines, electric light, heat and power lines, and works or plants, lands, buildings or rights of any character in water, or any other character of property necessary for generation, transmission or distribution of electricity for the purpose of furnishing or supplying electric light, heat or power to any county, city and county or incorporated city or town, or irrigation district, or the inhabitants thereof, or necessary for the property development and control of such use of such electricity, either at the time of the taking of said property, or for the future proper development and control thereof.

Cemeteries.

14. Cemeteries for the burial of the dead, and enlarging and adding to the same and the grounds thereof.

Abstract  
and title  
companies.

15. The plants, or any part thereof, or any record therein of all persons, firms or corporations heretofore, now or hereafter engaged in the business of searching public records, or publishing public records or insuring or guaranteeing titles to real property, including all copies of, and all abstracts or memoranda taken from, public records, which are owned by, or in the possession of, such persons, firms or corporations or which are used by them in their respective businesses; provided, however, that the right of eminent domain in behalf of the public uses mentioned in this subdivision may be exercised only for the purposes of restoring or replacing, in whole or in part, public records, or the substance of public records, of any city, county and county, or other municipality, which records have been, or may hereafter be, lost or destroyed by conflagration or other public calamity; and provided further, that such right shall be exercised only by the city, county and county, or municipality whose records, or part of whose records, have been, or may be, so lost or destroyed.

Fairs.

16. Expositions or fairs in aid of which the granting of public moneys or other things of value has been authorized by the Constitution.

Gas works,  
etc.

17. Works or plants for supplying gas, heat, refrigeration or power to any county, city and county, or incorporated city or town, or irrigation district, or the inhabitants thereof, together with lands, buildings, and all other improvements in or upon which to erect, install, place, maintain, use or operate machinery, appliances, works and plants for the purpose of generating, transmitting and distributing the same and rights of any nature in water, or property of any character necessary for the purpose of generating, transmitting and distributing the same, or necessary for the proper development and

control of such use of such gas, heat, refrigeration, or power, either at the time of the taking of said property, or for the future proper development and control thereof.

18. Standing trees and ground necessary for the support and maintenance thereof, along the course of any highway, within a maximum distance of three hundred feet on each side of the center thereof; and ground for the culture and growth of trees along the course of any highway, within the maximum distance of three hundred feet on each side of the center thereof.

Trees along  
highways

19. Propagation, rearing, planting, distribution, protection or conservation of fish.

Fish propa-  
gation and  
conservation.

20. Airports for the landing and taking off of aircraft, and for the construction and maintenance of hangars, mooring masts, flying fields, signal lights and radio equipment.

Airports,  
hangars, etc

21. Any work or undertaking of a city, county, or city and county, housing authority or commission, or other political subdivision or public body of the State: (a) to demolish, clear or remove buildings from any area which is detrimental to the safety, health and morals of the people by reason of the dilapidation, overcrowding, faulty arrangement or design, lack of ventilation or sanitary facilities of the dwellings predominating in such area; or (b) to provide dwellings, apartments or other living accommodations for persons or families who lack the amount of income which is necessary (as determined by the body engaging in said work or undertaking) to enable them to live in decent, safe and sanitary dwellings without overcrowding.

Housing.

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

Urgency.

Unemployment and the existence of unsafe, insanitary and congested dwelling accommodations has produced an alarming economic condition in this State. The immediate adoption of this act will enable many housing projects to be undertaken in this State which otherwise can not be financed at this time. This development and construction will furnish employment to many persons now idle, and enable them to become self-supporting, and will alleviate the aforesaid housing conditions.

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#### CHAPTER 4.

*An act to declare the necessity of creating public bodies corporate and politic to be known as housing authorities to undertake slum clearance and projects to provide dwelling accommodations for persons of low income; to create such housing authorities in cities, cities and counties, and in*

"Housing  
Authorities  
Law."

*counties; to define the powers and duties of housing authorities and to provide for the exercise of such powers, including acquiring property, borrowing money, issuing bonds and other obligations, and giving security therefor; to provide for a certification of the bonds by the Attorney General; to confer remedies on obligees of housing authorities; and to declare an emergency.*

[Approved by the Governor March 21, 1938. Filed with Secretary of State March 21, 1938. In effect immediately.]

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

**Short title.** SECTION 1. Short Title. This act may be referred to as the "Housing Authorities Law."

**Declaration of necessity and purpose** SEC. 2. Finding and Declaration of Necessity. It is hereby declared: (a) that there exist in the State insanitary or unsafe dwelling accommodations and that persons of low income are forced to reside in such insanitary or unsafe accommodations; that within the State there is a shortage of safe or sanitary dwelling accommodations available at rents which persons of low income can afford and that such persons are forced to occupy overcrowded and congested dwelling accommodations; that the aforesaid conditions cause an increase in and spread of disease and crime and constitute a menace to the health, safety, morals and welfare of the residents of the State and impair economic values; that these conditions necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident protection, and other public services and facilities; (b) that these slum areas can not be cleared, nor can the shortage of safe and sanitary dwellings for persons of low income be relieved, through the operation of private enterprise, and that the construction of housing projects for persons of low income (as herein defined) would therefore not be competitive with private enterprise; (c) that the clearance, replanning and reconstruction of the areas in which insanitary or unsafe housing conditions exist and the providing of safe and sanitary dwelling accommodations for persons of low income are public uses and purposes for which public money may be spent and private property acquired and are governmental functions of State concern; that it is in the public interest that work on such projects be commenced as soon as possible in order to relieve unemployment which now constitutes an emergency; and the necessity in the public interest for the provisions hereinafter enacted, is hereby declared as a matter of legislative determination.

**Definitions** SEC. 3. Definitions. The following terms, wherever used or referred to in this act, shall have the following respective meanings, unless a different meaning clearly appears from the context:

(a) "Authority" or "Housing authority" shall mean any of the public corporations created by section 4 of this act.

(b) "City" shall mean any city or city and county. "County" shall mean any county in the State. "The city" shall mean the particular city, or city and county, for which a particular housing authority is created. "The county" shall mean the particular county for which a particular housing authority is created.

(c) "Governing body" shall mean, in the case of a city, the city council, municipal council or common council, and in the case of a county, the board of supervisors.

(d) "Mayor" shall mean the mayor of the city or the officer thereof charged with the duties customarily imposed on the mayor or executive head of the city.

(e) "Clerk" shall mean the clerk of the city or the clerk of the county, as the case may be, or the officer charged with the duties customarily imposed on such clerk.

(f) Area of operation: (1) in the case of a housing authority of a city shall include such city and the area within five miles of the territorial boundaries thereof; provided, however, that the area of operation of a housing authority of any city shall not include any area which lies within the territorial boundaries of some other city as herein defined; (2) in the case of a housing authority of a county, shall include all of the county except the area within the territorial boundaries of any city located in said county for which city an authority has been previously authorized to transact business, but no housing authority of a county shall operate in any city located in said county for which an authority has not been authorized to transact business unless consent of the governing body of such city shall have been obtained; provided, that if an authority of a city within a county becomes empowered to transact business and exercise its powers, an authority previously empowered to transact business and exercise its powers in said county shall thereafter have no power to initiate any further project within the territorial boundaries of such city.

(g) "Federal Government" shall include the United States of America, the Federal Emergency Administration of Public Works or any other agency or instrumentality, corporate or otherwise, of the United States of America.

(h) "Slum" shall mean any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitary facilities, or any combination of these factors, are detrimental to safety, health and morals.

(i) "Housing project" shall mean any work or undertaking to be financed in whole or in part by the Federal government: (1) to demolish, clear or remove buildings from any slum area; such work or undertaking may embrace the adaptation of such area to public purposes, including parks or other recreational or community purposes; or (2) to provide decent, safe and sanitary urban or rural dwellings, apartments or other living accommodations for persons of low income; such

work or undertaking may include buildings, land, equipment, facilities and other real or personal property for necessary, convenient or desirable appurtenances, streets, sewers, water service, parks, site preparation, gardening, administrative, community, health, recreational, educational, welfare or other purposes; or (3) to accomplish a combination of the foregoing. The term "Housing project" also may be applied to the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration and repair of the improvements and all other work in connection therewith.

(j) "Persons of low income" shall mean persons or families who lack the amount of income which is necessary (as determined by the authority undertaking the housing project) to enable them, without financial assistance, to live in decent, safe and sanitary dwellings, without overcrowding.

(k) "Bonds" shall mean any bonds, notes, interim certificates, debentures, or other obligations issued by the authority pursuant to this act.

(l) "Real property" shall include all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage or otherwise and the indebtedness secured by such liens.

(m) "Obligee of the authority" or "obligee" shall include any bondholder, trustee or trustees for any bondholders, or lessor demising to the authority property used in connection with a housing project, or any assignee or assignees of such lessor's interest or any part thereof, and the Federal Government when it is a party to any contract with the authority.

Creation of  
housing  
authorities

Resolution  
determining  
need.

SEC. 4. Creation of Housing Authorities. In each city (as herein defined) and in each county of the State there is hereby created a public body corporate and politic to be known as the "housing authority" of the city or county; provided, however, that such authority shall not transact any business or exercise its powers hereunder until or unless the governing body of the city or the county, as the case may be, by proper resolution shall declare at any time hereafter that there is need for an authority to function in such city or county. The determination as to whether there is such need for an authority to function (a) may be made by the governing body on its own motion or (b) may be made by the governing body upon the filing of a petition signed by twenty-five residents of the city or county, as the case may be, asserting that there is need for an authority to function in such city or county and requesting that the governing body so declare.

Precedent  
findings

The governing body may adopt a resolution declaring that there is need for a housing authority in the city or county, as the case may be, if it shall find (a) that insanitary or unsafe inhabited dwelling accommodations exist in such city

or county or (b) that there is a shortage of safe or sanitary dwelling accommodations in such city or county available to persons of low income at rentals they can afford. In determining whether dwelling accommodations are unsafe or insanitary said governing body may take into consideration the degree of overcrowding, the percentage of land coverage, the light, air, space and access available to the inhabitants of such dwelling accommodations, the size and arrangement of the rooms, the sanitary facilities, and the extent to which conditions exist in such buildings which endanger life or property by fire or other causes.

In any suit, action or proceeding involving the validity or enforcement of or relating to any contract of the authority, the authority shall be conclusively deemed to have become established and authorized to transact business and exercise its powers hereunder upon proof of the adoption of a resolution by the governing body declaring the need for the authority. Such resolution or resolutions shall be deemed sufficient if it declares that there is such need for an authority and finds in substantially the foregoing terms (no further detail being necessary) that either or both of the above enumerated conditions exist in the city or county, as the case may be. A copy of such resolution duly certified by the clerk shall be admissible in evidence in any suit, action or proceeding.

Sufficiency  
and effect of  
resolution

SEC. 5. Appointment, Qualifications and Tenure of Commissioners. When the governing body of a city adopts a resolution as aforesaid, it shall promptly notify the mayor of such adoption. Upon receiving such notice, the mayor shall appoint five persons as commissioners of the authority created for said city. When the governing body of a county adopts a resolution as aforesaid, said body shall appoint five persons as commissioners of the authority created for said county.

Authority  
commis-  
sioners

Appoint-  
ment.

Three of the commissioners who are first appointed shall be designated to serve for terms of one, two, and three years, respectively, from the date of their appointment, and two shall be designated to serve for terms of four years from the date of their appointments. Thereafter commissioners shall be appointed as aforesaid for a term of office of four years except that all vacancies shall be filled for the unexpired term. No commissioner of an authority may be an officer or employee of the city or county for which the authority is created. A commissioner shall hold office until his successor has been appointed and has qualified. A certificate of the appointment or reappointment of any commissioner shall be filed with the clerk and such certificate shall be conclusive evidence of the due and proper appointment of such commissioner. A commissioner shall receive no compensation for his services, but he shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of his duties.

Terms.

Compensation

Organization,  
etc.

The powers of each authority shall be vested in the commissioners thereof in office from time to time. Three commissioners shall constitute a quorum of the authority for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the authority upon a vote of a majority of the commissioners, unless in any case the by-laws of the authority shall require a larger number. The mayor (or in the case of an authority for a county, the governing body of the county) shall designate which of the commissioners appointed shall be the first chairman, but when the office of the chairman of the authority thereafter becomes vacant, the authority shall select a chairman from among its commissioners. An authority shall select from among its commissioners a vice chairman, and it may employ a secretary (who shall be executive director), technical experts and such other officers, agents and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties and compensation. For such legal services as it may require, an authority may call upon the chief law officer of the city or the county or may employ its own counsel and legal staff. An authority may delegate to one or more of its agents or employees such powers or duties as it may deem proper.

Interest in  
projects, etc

SEC. 6. Interested Commissioners or Employees. No commissioner or employee of an authority shall acquire any interest direct or indirect in any housing project or in any property included or planned to be included in any project, nor shall he have any interest direct or indirect in any contract or proposed contract for materials or services to be furnished or used in connection with any housing project. If any commissioner or employee of an authority owns or controls an interest direct or indirect in any property included or planned to be included in any housing project, he immediately shall disclose the same in writing to the authority and such disclosure shall be entered upon the minutes of the authority. Failure so to disclose such interest shall constitute misconduct in office.

Failure to  
disclose

Removal

SEC. 7. Removal of Commissioners. For inefficiency or neglect of duty or misconduct in office, a commissioner of an authority may be removed by the mayor (or in the case of an authority for a county, by the governing body of said county), but a commissioner shall be removed only after he shall have been given a copy of the charges at least 10 days prior to the hearing thereon and had an opportunity to be heard in person or by counsel. In the event of the removal of any commissioner, a record of the proceedings, together with the charges and findings thereon, shall be filed in the office of the clerk.

Powers:

SEC. 8. Powers of Authority. An authority shall constitute a public body corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate



the purposes and provisions of this act, including the following powers in addition to others herein granted:

(a) To sue and be sued; to have a seal and to alter the same at pleasure; to have perpetual succession; to make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the authority; and to make and from time to time amend and repeal by-laws, rules and regulations, not inconsistent with this act, to carry into effect the powers and purposes of the authority. Suits, etc

(b) Within its area of operation: to prepare, carry out, acquire, lease and operate housing projects; to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof. Operation of projects, etc

(c) To arrange or contract for the furnishing by any person or agency, public or private, of services, privileges, works, or facilities for, or in connection with, a housing project or the occupants thereof; and (notwithstanding anything to the contrary contained in this act or in any other provision of law) to include in any contract let in connection with a project, stipulations requiring that the contractor and any sub-contractors comply with requirements as to minimum wages and maximum hours of labor, and comply with any conditions which the Federal Government may have attached to its financial aid of the project. Contracts

(d) To lease or rent any dwellings, houses, accommodations, lands, buildings, structures or facilities embraced in any housing project and (subject to the limitations contained in this act) to establish and revise the rents or charges therefor; to own, hold, and improve real or personal property; to purchase, lease, obtain option upon, acquire by gift, grant, bequest, devise, or otherwise any real or personal property or any interest therein; to acquire by the exercise of the power of eminent domain any real property; to sell, lease, exchange, transfer, assign, pledge or dispose of any real or personal property or any interest therein; to insure or provide for the insurance of any real or personal property or operations of the authority against any risks or hazards; to procure insurance or guarantees from the Federal Government of the payment of any debts or parts thereof (whether or not incurred by said authority) secured by mortgages on any property included in any of its housing projects. Leases, insurance, etc

(e) To invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control; to purchase its bonds at a price not more than the principal amount thereof and accrued interest, all bonds so purchased to be canceled. Investments

(f) Within its area of operation: to investigate into living, dwelling and housing conditions and into the means and methods of improving such conditions; to determine where slum areas exist or where there is a shortage of decent, Investigation of housing conditions, etc.

safe and sanitary dwelling accommodations for persons of low income; to make studies and recommendations relating to the problem of clearing, replanning and reconstructing of slum areas, and the problem of providing dwelling accommodations for persons of low income, and to cooperate with the city, the county, the State or any political subdivision thereof in action taken in connection with such problems; and to engage in research, studies and experimentation on the subject of housing.

Hearings,  
etc.

(g) Acting through one or more commissioners or other person or persons designated by the authority: to conduct examinations and investigations and to hear testimony and take proof under oath at public or private hearings on any matter material for its information; to administer oaths, issue subpoenas requiring the attendance of witnesses or the production of books and papers and to issue commissions for the examination of witnesses who are outside of the State or unable to attend before the authority, or excused from attendance; to make available to appropriate agencies (including those charged with the duty of abating or requiring the correction of nuisances or like conditions, or of demolishing unsafe or insanitary structures within its area of operation) its findings and recommendations with regard to any building or property where conditions exist which are dangerous to the public health, morals, safety or welfare.

(h) To exercise all or any part or combination of powers herein granted.

Application  
of other  
laws

No provisions of law with respect to the acquisition, operation or disposition of property by other public bodies shall be applicable to an authority unless the Legislature shall specifically so state.

Contractors'  
bonds  
Application  
of Stats.  
1919,  
p 487

SEC. 8.5. Bonds of Contractors. The provisions of an act entitled "An act to secure the payment of claims of persons employed by contractors upon public works, and the claims of persons who furnish materials, supplies, teams, implements or machinery used or consumed by such contractors in the performance of such works and prescribing the duties of certain public officers with respect thereto," approved May 10, 1919, as now or hereafter amended, are hereby expressly made applicable to any housing project under this act.

Prohibition  
against  
operating  
for profit

SEC. 9. Operation Not for Profit. It is hereby declared to be the policy of this State that each housing authority shall manage and operate its housing projects in an efficient manner so as to enable it to fix the rentals for dwelling accommodations at the lowest possible rates consistent with its providing decent, safe and sanitary dwelling accommodations, and that no housing authority shall construct or operate any such project for profit, or as a source of revenue to the city or the county. To this end an authority shall fix the rentals for dwellings in its projects at no higher rates than it shall find to be necessary in order to produce revenues which (together with all other available moneys, revenues, income

Rental  
rates

and receipts of the authority from whatever sources derived) will be sufficient (a) to pay, as the same become due, the principal and interest on the bonds of the authority; (b) to meet the cost of, and to provide for, maintaining and operating the projects (including the cost of any insurance) and the administrative expenses of the authority; and (c) to create (during not less than the six years immediately succeeding its issuance of any bonds) a reserve sufficient to meet the largest principal and interest payments which will be due on such bonds in any one year thereafter and to maintain such reserve.

SEC. 10. Rentals and Tenant Selection. In the operation or management of housing projects an authority shall at all times observe the following duties with respect to rentals and tenant selection: (a) It may rent or lease the dwelling accommodations therein only to persons of low income. (b) It may rent or lease the dwelling accommodations therein only at rentals within the financial reach of such persons of low income. (c) It may rent or lease to a tenant dwelling accommodations consisting of the number of rooms (but no greater number) which it deems necessary to provide safe and sanitary accommodations to the proposed occupants thereof, without overcrowding. (d) It shall not accept any person as a tenant in any housing project if the person or persons who would occupy the dwelling accommodations have an annual net income in excess of five times the annual rental of the quarters to be furnished such person or persons, except that in the case of families with three or more minor dependents, such ratio shall not exceed six to one; in computing the rental for this purpose of selecting tenants, there shall be included in the rental the average annual cost (as determined by the authority) to occupants of heat, water, electricity, gas, cooking range and other necessary services or facilities, whether or not the charge for such services and facilities is in fact included in the rental. (e) It shall prohibit subletting by tenants.

Conditions  
regarding  
tenant  
selection

Nothing contained in this or the preceding section shall be construed as limiting the power of an authority to vest in an obligee the right, in the event of a default by the authority, to take possession of a housing project or cause the appointment of a receiver thereof or acquire title thereto through foreclosure proceedings, free from all the restrictions imposed by this or the preceding section.

Default by  
authority

SEC. 11. Cooperation Between Authorities. Any two or more authorities may join or cooperate with one another in the exercise of any or all of the powers conferred hereby for the purpose of financing, planning, undertaking, constructing or operating a housing project or projects located within the area of operation of any one or more of said authorities.

Cooperation  
between  
authorities

SEC. 12. Eminent Domain. An authority shall have the right to acquire by the exercise of the power of eminent

Eminent  
domain

domain any real property which it may deem necessary for its purposes under this act after the adoption by it of a resolution declaring that the acquisition of the real property described therein is necessary for such purposes. An authority may exercise the power of eminent domain pursuant to the provisions of the Code of Civil Procedure of California, and acts amendatory thereof or supplementary thereto; or it may exercise the power of eminent domain in the manner provided by any other applicable statutory provisions for the exercise of the power of eminent domain. Property already devoted to a public use may be acquired in like manner; provided, that no real property belonging to the city, the county, the State or any political subdivision thereof may be acquired without its consent.

Application  
of planning,  
zoning and  
building  
laws.

SEC. 13. Planning, Zoning and Building Laws. All housing projects of an authority shall be subject to the planning, zoning, sanitary and building laws, ordinances and regulations applicable to the locality in which the housing project is situated. In the planning and location of any housing project, an authority shall take into consideration the relationship of the project to any larger plan or long-range program for the development of the area in which the housing authority functions.

Issuance  
of bonds

SEC. 14. Bonds. An authority shall have power to issue bonds from time to time in its discretion, for any of its corporate purposes. An authority shall also have power to issue refunding bonds for the purpose of paying or retiring bonds previously issued by it. An authority may issue such types of bonds as it may determine, including bonds on which the principal and interest are payable: (a) exclusively from the income and revenues of the housing project financed with the proceeds of such bonds, or with such proceeds together with a grant from the Federal Government in aid of such project; (b) exclusively from the income and revenues of certain designated housing projects whether or not they were financed in whole or in part with the proceeds of such bonds; or (c) from its revenues generally. Any of such bonds may be additionally secured by a pledge of any revenues or a mortgage of any housing project, projects or other property of the authority.

Exemption  
from  
liability

Neither the commissioners of an authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds and other obligations of an authority (and such bonds and obligations shall so state on their face) shall not be a debt of the city, the county, the State or any political subdivision thereof and neither the city or the county, nor the State or any political subdivision thereof shall be liable thereon, nor in any event shall such bonds or obligations be payable out of any funds or properties other than those of said authority. The bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

SEC. 15. Form and Sale of Bonds. Bonds of an authority shall be authorized by its resolution and may be issued in one or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, not exceeding four and one-half per cent ( $4\frac{1}{2}\%$ ) per annum, be in such denomination or denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption (with or without premium) as such resolution, its trust indenture or mortgage may provide.

Bond provisions.

The bonds may be sold at not less than par at public sale held after notice published once at least five days prior to such sale in a newspaper having a general circulation in the city or the county and in a financial newspaper published in the city of San Francisco, California, or in the city of Los Angeles, California, provided, however, that such bonds may be sold at not less than par to the Federal Government at private sale without any public advertisement.

Sale of bonds. Notice.

In case any of the commissioners or officers of the authority whose signatures appear on any bonds or coupons shall cease to be such commissioners or officers before the delivery of such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if they had remained in office until such delivery. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this act shall be fully negotiable.

Validity and negotiability of bonds

In any suit, action or proceedings involving the validity or enforceability of any bond of an authority or the security therefor, any such bond reciting in substance that it has been issued by the authority to aid in financing a housing project to provide dwelling accommodations for persons of low income shall be conclusively deemed to have been issued for a housing project of such character and said project shall be conclusively deemed to have been planned, located and constructed in accordance with the purposes and provisions of this act.

Effect of recitals

SEC. 16. Provisions of Bonds, Trust Indentures, and Mortgages. In connection with the issuance of bonds or the incurring of obligations under leases and in order to secure the payment of such bonds or obligations, an authority, in addition to its other powers, shall have power:

Powers in respect to issuance of bonds.

(a) To pledge all or any part of its gross or net rents, fees or revenues to which its right then exists or may thereafter come into existence.

Pledge.

(b) To mortgage all or any part of its real or personal property, then owned or thereafter acquired.

Mortgage

(c) To covenant against pledging all or any part of its rents, fees and revenues, or against mortgaging all or any part of its real or personal property, to which its right or title then exists or may thereafter come into existence or against permitting or suffering any lien on such revenues or

Covenants relating to liens, etc.

property; to covenant with respect to limitations on its right to sell, lease or otherwise dispose of any housing project or any part thereof; and to covenant as to what other, or additional debts or obligations may be incurred by it.

Covenants relating to issuance of bonds, redemption, etc.

(d) To covenant as to the bonds to be issued and as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the proceeds thereof; to provide for the replacement of lost, destroyed or mutilated bonds, to covenant against extending the time for the payment of its bonds or interest thereon; and to redeem the bonds, and to covenant for their redemption and to provide the terms and conditions thereof.

Covenants relating to rents, fees, etc.

(e) To covenant (subject to the limitations contained in this act) as to the rents and fees to be charged in the operation of a housing project or projects, the amount to be raised each year or other period of time by rents, fees and other revenues, and as to the use and disposition to be made thereof; to create or to authorize the creation of special funds for moneys held for construction or operating costs, debt service, reserves, or other purposes, and to covenant as to the use and disposition of the moneys held in such funds.

Changes in contracts with bondholders.

(f) To prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given.

Covenants relating to property.

(g) To covenant as to the use of any or all of its real or personal property; and to covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon and the use and disposition of insurance moneys.

Covenants relating to default, etc.

(h) To covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition, or obligation; and to covenant and prescribe as to events of default and terms and conditions upon which any or all of its bonds or obligations shall become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived.

Bondholders' trustees.

(i) To vest in a trustee or trustees or the holders of bonds or any proportion of them the right to enforce the payment of the bonds or any covenants securing or relating to the bonds; to vest in a trustee or trustees the right, in the event of a default by said authority, to take possession and use, operate and manage any housing project or part thereof, and to collect the rents and revenues arising therefrom and to dispose of such moneys in accordance with the agreement of the authority with said trustee; to provide for the powers and duties of a trustee or trustees and to limit the liabilities thereof; and to provide the terms and conditions upon which the trustee or trustees or the holders of bonds or any proportion of them may enforce any covenant or rights securing or relating to the bonds.

(j) To exercise all or any part or combination of the powers herein granted; to make covenants other than and in addition to the covenants herein expressly authorized, of like or different character; to make such covenants and to do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds, or, in the absolute discretion of said authority, as will tend to make the bonds more marketable notwithstanding that such covenants, acts or things may not be enumerated herein.

Additional powers.

SEC. 17. Any authority may submit to the Attorney General of the State any bonds to be issued hereunder after all proceedings for the issuance of such bonds have been taken. Upon the submission of such proceedings to the Attorney General, it shall be the duty of the Attorney General to examine into and pass upon the validity of such bonds and the regularity of all proceedings in connection therewith. If such proceedings conform to the provisions of this act and are otherwise regular in form and if such bonds when delivered and paid for will constitute binding and legal obligations of the authority enforceable according to the terms thereof, the Attorney General shall certify in substance upon the back of each of said bonds that it is issued in accordance with the Constitution and laws of the State of California.

Certification of bond validity by Attorney General.

SEC. 18. Remedies of an Obligee of Authority. An obligee of an authority shall have the right in addition to all other rights which may be conferred on such obligee, subject only to any contractual restrictions binding upon such obligee.

Remedies of obligees:

(a) By mandamus, suit, action or proceeding at law or in equity to compel said authority and the commissioners, officers, agents or employees thereof to perform each and every term, provision and covenant contained in any contract of said authority with or for the benefit of such obligee, and to require the carrying out of any or all such covenants and agreements of said authority and the fulfillment of all duties imposed upon said authority by this act.

Compelling performance

(b) By suit, action or proceeding in equity, to enjoin any acts or things which may be unlawful, or the violation of any of the rights of such obligee of said authority.

Enjoining violations.

SEC. 19. Additional Remedies Conferrable by Authority. An authority shall have power by its resolution, trust indenture, mortgage, lease or other contract to confer upon any obligee holding or representing a specified amount in bonds, or holding a lease, the right (in addition to all rights that may otherwise be conferred), upon the happening of an event of default as defined in such resolution or instrument, by suit, action or proceeding in any court of competent jurisdiction:

Additional remedies conferrable by authority

(a) To cause possession of any housing project or any part thereof to be surrendered to any such obligee.

Surrender of projects.

(b) To obtain the appointment of a receiver of any housing project of said authority or any part thereof and of the rents and profits therefrom. If such receiver be appointed, he may enter and take possession of such housing project or any part

Appointment of receivers.

thereof and operate and maintain same, and collect and receive all fees, rents, revenues, or other charges thereafter arising therefrom, and shall keep such moneys in a separate account or accounts and apply the same in accordance with the obligations of said authority as the court shall direct.

Accounting (c) To require said authority and the commissioners thereof to account as if it and they were the trustees of an express trust.

Exemption of real property from execution sale SEC. 20 Exemption of Property from Execution Sale. All real property of an authority shall be exempt from levy and sale by virtue of an execution, and no execution or other judicial process shall issue against the same nor shall any judgment against an authority be a charge or lien upon its real property; provided, however, that the provisions of this section shall not apply to or limit the right of obligees to foreclose or otherwise enforce any mortgage of an authority or the right of obligees to pursue any remedies for the enforcement of any pledge or lien given by an authority on its rents, fees or revenues.

Exception.

Power to receive aid from Federal Government SEC. 21. Aid from Federal Government. In addition to the powers conferred upon an authority by other provisions of this act, an authority is empowered to borrow money or accept grants or other financial assistance from the Federal Government for or in aid of any housing project within its area of operation, to take over or lease or manage any housing project or undertaking constructed or owned by the Federal Government, and to these ends, to comply with such conditions and enter into such mortgages, trust indentures, leases or agreements as may be necessary, convenient or desirable. It is the purpose and intent of this act to authorize every authority to do any and all things necessary or desirable to secure the financial aid or cooperation of the Federal Government in the undertaking, construction, maintenance or operation of any housing project by such authority.

Reports SEC. 22 Reports. At least once a year, an authority shall file with the clerk a report of its activities for the preceding year, and shall make recommendations with reference to such additional legislation or other action as it deems necessary in order to carry out the purposes of this act.

Constitutionality. SEC. 23. Severability. Notwithstanding any other evidence of legislative intent it is hereby declared to be the controlling legislative intent that if any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Inconsistent laws. SEC. 21 Act Controlling. In so far as the provisions of this act are inconsistent with the provisions of any other law, the provisions of this act shall be controlling.

Urgency SEC 25. Emergency. This act is hereby declared to be an urgency measure necessary for the immediate preservation of public peace, health and safety within the meaning of sec-



tion 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

Unemployment and the existence of unsafe, insanitary and congested dwelling accommodations has produced an alarming economic and social condition in this State. The immediate adoption of this act will enable many housing projects to be undertaken in this State which otherwise can not be financed at this time. This development and construction will furnish employment to many persons now idle, and enable them to become self-supporting, and will alleviate the aforesaid housing conditions.

## CHAPTER 5.

*An act relating to lands owned by the State; reserving all minerals and all oil and gas in State lands; providing for prospecting for and taking such minerals and for the extraction and removal of oil and gas therefrom; providing for the acquisition by purchase or condemnation of interests in privately owned lands to facilitate the operations provided for or contemplated by this act; creating a State Lands Commission, prescribing its powers and duties, and transferring to and vesting in the State Lands Commission the administration of and jurisdiction over State lands; repealing acts or parts of acts in conflict herewith; and making an appropriation.*

"State Lands Act of 1938"

[Approved by the Governor March 24, 1938. Filed with Secretary of State March 24, 1938. In effect June 11, 1938.]

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

SECTION 1. This act shall be known and may be cited as the "State Lands Act of 1938."

Short title

### Article 1. General Provisions and Definitions.

General provisions and definitions

SEC. 3. Unless the context otherwise requires, the general provisions and definitions hereinafter set forth shall govern the construction of this act.

SEC. 4. The present tense includes the past and future tenses; and the future, the present.

The masculine gender includes the feminine and neuter.

The singular number includes the plural, and the plural the singular.

SEC. 5. "City" includes "city and county."

"Shall" is mandatory and "may" is permissive, but whenever permissive authority or discretion is vested in any public officer or body under this act, such authority or discretion is subject to the condition that it be exercised in the best interests of the State.

“Commission” means the State Lands Commission created by this act.

“Oil and gas” includes oil, gas and all other hydrocarbon substances.

“Minerals” includes all substances other than oil, gas and other hydrocarbon substances.

## Article 2. The State Lands Commission.

State Lands  
Commission

Powers and  
duties suc-  
ceeded to

SEC. 11. There is hereby created in the Department of Finance a State Lands Commission to consist of the State Controller, the Lieutenant Governor, and the Director of Finance. The commission shall succeed to and is hereby vested with all the powers, duties, purposes, responsibilities and jurisdiction of the Department of Finance as successor to the Surveyor General, Register of the State Land Office, and State Land Office, under section 690 of the Political Code, and of the Division of State Lands in the Department of Finance. Whenever, by the provisions of any statute or law now in force or that may be hereafter enacted, a duty or jurisdiction is imposed or authority conferred upon the Surveyor General, Register of the State Land Office, or State Land Office, or upon the Department of Finance as successor thereto, or upon the Chief of the Division of State Lands, or the Division of State Lands, such duty, jurisdiction, and authority are hereby transferred to, imposed and conferred upon the commission hereby created and the appropriate officers and employees thereof with the same force and effect as though the title of the State Lands Commission had been specifically set forth and named therein in lieu of the Surveyor General, Register of the State Land Office, State Land Office, Department of Finance, Chief of the Division of State Lands, or Division of State Lands, as the case may be.

Laws  
continued  
in force.

The statutes and laws pertaining to matters formerly under the jurisdiction of the Surveyor General, Register of the State Land Office, State Land Office, the Department of Finance as successor thereto, the Chief of the Division of State Lands, and the Division of State Lands, and all laws prescribing their duties, powers, purposes, responsibilities, and jurisdiction, together with all lawful rules and regulations established thereunder, are hereby expressly continued in force except as herein repealed or amended.

Property,  
etc.

The commission shall be in possession and control of all records, books, papers, offices, equipment, supplies, lands or other property, real or personal, now or hereafter held for the benefit or use of the Department of Finance, as successor to the Surveyor General, Register of the State Land Office, and State Land Office, and of the Chief of the Division of State Lands and the Division of State Lands.

Administra-  
tion of act.

SEC. 12. The commission shall administer this act and all laws and statutes committed to it by this act through the Division of State Lands of the Department of Finance, which

division is hereby continued in existence. The commission is hereby vested with all the powers conferred upon heads of departments of the State contained in sections 352, 353 and 356 of the Political Code.

The commission may appoint and, with the approval of the Director of Finance, may fix the salaries of such officers and employees in the Division of State Lands as may be necessary for the conduct of the work of the commission.

Officers and employees

SEC. 13. The commission shall meet, upon due notice to all members thereof, at such times and places within the State as are deemed necessary by it for the proper transaction of the business committed to it.

Meetings

SEC. 14. The commission shall adopt rules governing the conduct of the business of the commission, and no action of the commission shall be valid unless authorized by resolution adopted at a meeting after due notice thereof and by at least two of the members of the commission present.

Conduct of business.

SEC. 15. The commission is hereby empowered to authorize any of its employees or officers to execute any instrument in the name of the State of California, pursuant to resolution adopted by the commission.

Execution of instruments by officers and employees

SEC. 16. Whenever the commission, pursuant to the authority herein granted, enters into any agreement for the compromise or settlement of claims, such agreement shall be submitted to the Governor, and if approved by him shall thereupon, but not before, be binding upon the State and the other party thereto.

Compromise or settlement of claims: When binding.

SEC. 17. The commission may from time to time classify any or all State land for its different possible uses, and, when it is deemed advisable, may require the Department of Natural Resources, the Director of Agriculture, or any other officer, organization, agency or institution of the State government to make such classification. It is hereby expressly made the duty of any such officer, organization, agency, or institution to make such classification and to render a report thereon upon the application of the commission.

Classification of State lands.

SEC. 18. The commission may make and enforce all reasonable and proper rules and regulations consistent herewith for the purpose of carrying out the provisions of this act and incidental thereto, and may do any and all things necessary fully and completely to effectuate the purposes of this act.

Rules and regulations

Article 3. Provisions Relating to All State Lands.

SEC. 31. All oil, gas, oil shale, coal, phosphate, sodium, gold, silver, and all other mineral deposits in lands belonging to the State, or which may become the property of the State, are hereby reserved to the State, except that nothing in this act applies to lands acquired by the State on sale thereof for delinquent taxes, other than lands so acquired, the deed for which is required to be filed in the office of the Department of Finance or of the commission. Such deposits are reserved

Reservation of mineral deposits

Exception

from sale except upon a rental and royalty basis as herein provided. A purchaser of any lands belonging to the State, or which may become the property of the State, shall acquire no right, title, or interest in or to such deposits. The right of such purchaser shall be subject to the reservation of all oil, gas, oil shale, coal, phosphate, sodium, gold, silver, and all other mineral deposits, and to the conditions and limitations prescribed by law providing for the State and persons authorized by it, pursuant to this act or otherwise, to prospect for, mine, and remove such deposits, and to occupy and use so much of the surface of said land as may be required for all purposes reasonably extending to the mining and removal of such deposits therefrom. The provisions of this section shall not apply to any compromise agreement entered into under this act.

Reservations  
in applica-  
tions to  
purchase,  
etc

SEC. 32. (a) All applications to purchase State lands which are hereafter filed, and all sales pursuant thereto, shall be subject to and contain a reservation to the State of all oil, gas, oil shale, coal, phosphate, sodium, gold, silver, and all other mineral deposits in all lands so acquired, and shall also contain a reservation to the State, and persons authorized by it, of the right to prospect for, mine, and remove such deposits and to occupy and use so much of the surface as may be required therefor, and all certificates of purchase and patents issued therefor shall contain such reservations.

Grants to  
United  
States

(b) Whenever authorized by law to make grants of land to the United States of America, or to an officer, department, or agency thereof, either in exchange for other lands or otherwise, the commission may make such grants with or without the reservation of deposits of oil and gas and other minerals required by this act.

Eligibility  
for lease or  
prospecting  
permit.

SEC. 33. A lease or prospecting permit shall be issued only to and held by:

(a) Any person or association of persons who are citizens of the United States or who have declared their intention of becoming such, or who are eligible to citizenship under the laws of the United States and are citizens of any country, dependency, colony, or province, the laws, customs, and regulations of which permit the grant of similar or like privileges to citizens of the United States; or

(b) Any corporation ninety per cent or more of the stock of which is owned by persons eligible to hold a lease or permit under subdivision (a) of this section; or any corporation ninety per cent of the stock of which is owned either by a corporation eligible to hold a lease or permit hereunder, or by any combination of such eligible persons or corporations, or both;

or  
(c) Any alien person entitled thereto by virtue of any treaty between the United States and the nation or country of which such alien person is a citizen or subject.

Forfeiture  
of interest  
held in  
violation  
of act.

SEC. 34. Any interest held in violation of this act shall be forfeited to the State by appropriate proceedings for that pur-

pose brought by the State of California in the superior court for the county in which the property or some part thereof is located, except that any ownership or interest forbidden in this act which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition.

SEC. 35. The commission, in its discretion, in issuing any lease under this act, may reserve to the State the right to lease, sell, or otherwise dispose of the surface of the lands embraced within such lease, in so far as the surface is not required by the lessee. If such reservation is to be made, however, it shall be so determined before the offering of such lease.

Reservation relating to surface lands

SEC. 36. A lease or permit issued under the provisions of this act may be assigned, transferred or sublet, with the consent of the commission, to any person, association of persons, or corporation, who at the time of the proposed assignment, transfer, or sublease, possesses the qualifications provided in this act. A lease shall contain provisions to enable the lessee to quitclaim all or any part of the State land covered by such lease and thereby to be released proportionately from drilling obligations or other obligations with respect to the land so quitclaimed or relinquished.

Assignment and transfer of lease

Quitclaim of leased land.

SEC. 37. The commission shall reserve and may exercise the authority to cancel any prospecting permit or lease upon failure of the permittee or lessee (after thirty days' written notice and demand for performance) to exercise due diligence and care in the prosecution of the prospecting or development work or the production work in accordance with the terms and conditions of the permit or lease, and the commission shall insert in every permit or lease issued under the provisions of this act appropriate provisions for its cancellation by the commission in accordance with the provisions of this section.

Cancellation of permit or lease.

SEC. 38. Any permit or lease under this act shall reserve to the commission the right to allow, upon such terms as the commission may determine to be just, the joint or several use of such easements or rights of way, including easements in tunnels, upon, through, or in the lands leased or permitted, as may be necessary or appropriate for the working of such lands or of other lands containing the deposits described in this act.

Joint or several use of easements or rights of way

SEC. 39. The commission, in the name of the State of California, may purchase or receive by donation or lease any right of way or easement in real property, or any real property in fee simple, necessary or proper for sites for drilling operations, storage of oil, dehydration plants, absorption plants, or other operations necessary or proper under this act.

Purchase or receipt of easements or rights of way.

SEC. 40. The commission, if it deems such action for the best interests of the State, may condemn, acquire, and possess in the name of the State any right of way or easement, including surface rights for any operation authorized or contemplated under the provisions of this act, that may be

Condemnation of easements or rights of way.

necessary for the development and production of oil and gas from state-owned land and for their removal, transportation, storage, and sale, and for such purposes is authorized and empowered in the name of the people of the State of California, to institute condemnation proceedings pursuant to section 14 of Article I of the Constitution and the Code of Civil Procedure relating to eminent domain. The acquisition of such interests is hereby declared a public use.

Resolution.

Prior to the institution of such condemnation proceedings, the commission shall adopt a resolution declaring that the public interest and necessity require the acquisition of such interest in lands for the purpose of performance of the duties vested in this commission by the provisions of this act and that the interest in such lands described in such resolution is necessary therefor. Such resolution shall be conclusive evidence: (a) of the public necessity of such proposed public use; (b) that such property is necessary therefor; and (c) that such proposed public use is planned or located in the manner which is most compatible with the greatest public good and the least private injury.

Availability  
to lessees of  
lands  
acquired by  
commission

SEC. 41. Any interests in lands, or lands in fee simple, acquired by the commission by purchase, donation, lease, condemnation, or otherwise, may be made available to any lessee of the State for the purposes contained in this act and upon such terms and conditions as may be determined by the commission.

Acquisition  
of structures  
and improve-  
ments.

SEC. 42. The provisions of this act authorizing the commission to acquire interests in real property include the acquisition of structures and improvements situated on lands sold by the State subject to the reservations provided herein. Such structures and improvements shall be acquired, however, only upon the written request of a lessee under this act to whom the State has granted the right to extract the oil and gas or other minerals from such lands, and only upon the agreement by the lessee to reimburse the State for the cost and expense of such acquisition and the deposit by the lessee with the commission of such security as it may require.

Rejection of  
bids, etc.

SEC. 43. The commission may, prior to the receipt of any bid for a lease under this act, withdraw any offer to receive bids therefor, and it may reject all bids therefor filed pursuant to invitation of the commission. At any time before the awarding of a lease thereon, all or any portion of a tract proposed to be leased may be withdrawn by the commission and eliminated from the proposal.

Grants of  
easements  
in lieu of  
leases.

SEC. 44. Whenever by the terms of this act the commission may grant a lease of State lands, the commission may, in its discretion, make and execute an easement of surface or subsurface rights, or both, in lieu thereof and upon the same terms and conditions and subject to the same limitations and prohibitions as are provided in this act for a lease of such lands.

SEC. 45. For the purpose of this act, the commission is hereby authorized to enter into agreements with any person, association of persons, corporation, city, or county, or either of them, claiming the oil and gas in lands adversely to the State of California, which agreements may:

Agreements relating to adverse oil and gas claims.

(a) Establish the respective interests of the parties to the agreement in the oil and gas underlying such land;

(b) Establish the boundary line between lands claimed by the State and other parties to the agreement in those cases in which oil or gas is known to exist in such lands or in the vicinity thereof;

(c) Fix the amount of damages for past or future production of oil and gas from wells drilled under color of title on or into land claimed by the State.

SEC. 46. The commission, in the name of the people of the State of California, may bring action to determine the title to oil and gas in land against persons, associations of persons, and corporations claiming the same adversely and to recover damages for oil and gas removed therefrom. Any person, association of persons, corporation, or city not a party to such a suit and claiming the oil or gas in said land, or any part thereof, may intervene in such an action and have his rights adjudicated. The State hereby consents to be sued by any person, association of persons, corporation, or city for the purpose of quieting title to the right to oil or gas, or both, in any land, claimed by the State and by such person, association of persons, corporation, or city. Any other person, association of persons, corporation, or city not made a party to such an action but claiming any interest in said oil or gas may intervene in said suit.

Actions relating to adverse oil and gas claims.

All such actions shall be brought and tried in the county where the land or some part thereof is situated.

SEC. 47. Whenever it appears to the commission that wells drilled upon private lands are draining or may drain oil or gas from lands owned by the State, the commission may enter into agreements with the owners or operators of such wells for the payment of compensation to the State for such drainage, in lieu of drilling offset wells upon such State lands.

Agreements relating to oil and gas drained from State lands.

#### Article 4. General Provisions Relating to Oil and Gas Leases.

SEC. 51. Permits for prospecting for oil and gas deposits reserved to the State shall not be issued; and permits for prospecting for minerals, other than oil and gas, reserved to the State shall be issued only pursuant to article seven of this act.

Prospecting permits

SEC. 52. Leases for the extraction and removal of oil and gas deposits may be made by the commission to the highest qualified bidder, as provided in this act. Such a lease shall be for a term of twenty years, with the option in the lessee to continue the term of said lease as to all wells drilling or pro-

Oil and gas leases' Term.

ducing at the expiration of the original term thereof for so long as oil or gas is produced therefrom.

Annual  
rental.

In addition to the royalty provided therein, each bid and each lease shall also provide for an annual rental payment in advance of such sum as the commission shall specify, which rental shall be credited against the royalties, if any, as they accrue for that year.

Prevention  
of waste

SEC. 53. All leases of lands containing oil or gas made or issued under this act shall be subject to the condition that the lessee will use all reasonable precautions to prevent waste of oil or gas developed in the land, or the entrance of water through wells drilled to the oil-bearing strata, to the destruction or injury of the oil deposits. All leases shall further provide that the lessee therein shall comply with all valid laws of the United States and of the State of California and with all valid ordinances of cities and counties applicable to the lessee's operations, including, without limitation by reason of the specification thereof, the lessee's compliance with the act of the State of California creating the office of the State Oil and Gas Supervisor, Statutes 1915, page 1404, and all amendments thereto.

Compliance  
with laws  
relating to  
operations

Terms and  
conditions  
in general.

SEC. 54. Every oil and gas lease executed under this act shall include such terms, conditions, and provisions as will protect the interests of the State with reference to securing the payment to the State of the proper amount or value of production; the spacing of wells for the purpose of properly offsetting the drainage of oil and gas from State lands by wells drilled and operated on and within privately owned lands; diligence on the part of the lessee in drilling wells to the oil sands and requirements as to depth of such wells for the purpose of reaching the oil sands and producing oil and gas therefrom in commercial quantities; methods of operation and standard requirements for carrying on operations in proper and workmanlike manner; prevention of waste; protection of the safety and health of workmen; liability of the lessee for personal injuries and property damage; security for faithful performance by the lessee, including reasonable provisions for the forfeiture of the lease for violation of any of its covenants or of any of the provisions of this act by the lessee, and the requirement that the lessee shall, at the time of execution of the lease, furnish and thereafter maintain a good and sufficient bond in such sum as may be specified by the commission, in favor of the State, guaranteeing faithful performance by the lessee of the terms, covenants, and conditions of the lease and of the provisions of this act; and such other covenants, conditions, requirements and reservations as may be deemed advisable by the commission in effecting the purpose of this act and not inconsistent with any of its provisions.

Spacing of  
wells and  
rate of  
drilling and  
production.

SEC. 55. Such lease shall contain a reservation to the commission of the right to restrict by appropriate rules and regulations the spacing of wells and the rate of drilling and production of such wells so as to prevent the waste of oil and



gas and promote the maximum economic recovery of oil and gas from, and the conservation of reservoir energy in, each zone or separate underground source of supply of oil or gas covered in whole or in part by leases issued under the provisions of this act. The commission shall issue rules and regulations which may be amended from time to time to effectuate the purpose of this section, and in connection therewith shall restrict the rate of production from any such zone or separate underground source of supply to that provided by Federal or State laws or rules or regulations thereunder, or by any reasonable conservation or curtailment plan ordered by the commission or agreed to by a majority of the total production from any such zone or separate underground source of supply.

SEC. 56. Rights of way through all State lands may be granted to any lessee by the commission under such regulations as to survey, location, application, and use as may be prescribed by the commission

Rights of way through State lands.

SEC. 57. For the purpose of more properly conserving the natural resources of any single oil or gas pool or field, lessees hereunder and their representatives may unite with each other jointly or separately, or jointly or separately with others owning or operating lands not belonging to the State, in collectively adopting and operating under a cooperative or unit plan of development or operation of the pool or field, whenever it is determined by the commission to be necessary or advisable in the public interest, and the commission may, with the consent of the holders of leases involved, establish, alter, change, and revoke any drilling and production requirements of such leases, and may make such regulations with reference to such leases, with like consent on the part of the lessees, in connection with the institution and operation of any such cooperative or unit plan, as the commission deems necessary or proper to secure the proper protection of the interests of the State.

Development and operation agreements between lessees and others.

SEC. 58. The commission, upon such conditions as the commission shall prescribe, may approve operating, drilling or development contracts made by one or more lessees holding oil or gas leases on State lands with one or more persons, associations, or corporations, whenever in the discretion of the commission the conservation of natural products or the public convenience and necessity require it, or the interests of the State may be best subserved thereby.

Approval of development and operating contracts to which lessees are parties.

SEC. 59. Each bid (which shall be in the form of a lease prepared in accordance with the provisions of this act) for an oil and gas lease shall be accompanied by a certified or cashier's check of a responsible bank in California payable to the State Treasurer in an amount to be fixed by the commission, which sum shall be deposited as evidence of good faith and except in the case of the successful bidder shall be returned to the bidder. Upon the execution of the lease the amount shall be applied upon the annual rental for the first

Certified check to accompany bid.

year and the balance, if any, shall be returned to such lessee. If the successful bidder fails or refuses to execute the lease within fifteen days after the award thereof, the amount of the check shall be forfeited to the State.

Article 5. Oil and Gas Leases on Lands Other Than Tide and Submerged Lands.

- Provisions applicable to leases** SEC. 71. Lands owned by the State, or lands in which the oil and gas deposits are reserved to the State, other than tide and submerged lands, may be leased for the production of oil and gas in accordance with the provisions of this article and of this act in so far as not in conflict with the provisions of this article.
- When lands to be offered for lease.** SEC. 72. Whenever it appears to the commission that any such lands probably contain commercially valuable deposits of oil or gas and that it is for the best interests of the State to lease such lands for the production of oil or gas therefrom, the commission shall then offer such lands for lease, as provided in this article.
- Division of lands and form of lease** SEC. 73. The commission may divide the lands within the tract proposed to be leased into parcels of convenient size and shape and shall prepare a form of lease therefor.
- Notice of intention to lease. Publication and contents** SEC. 74. When the form of lease has been prepared by the commission, the commission shall give notice of intention to lease such lands. The notice shall be published for a period of five consecutive days in a newspaper of general circulation in the county in which such lands or the greater portion thereof are situated and shall state the time (which shall not be less than fourteen days after the last date of publication of the notice) and place for receiving and opening bids, a description of the lands, either as a tract or by parcels, and that the form of lease for the purpose of bidding may be procured at the designated office of the commission.
- Opening of bids and award of lease.** SEC. 75. At the time and place specified in the notice the commission shall publicly open the sealed bids and shall award the lease for each parcel to the highest qualified bidder, unless in the opinion of the commission, the acceptance of the highest bid for any parcel or parcels is not for the best interests of the State, in which event the commission may reject the bids for such parcel or parcels. Thereupon new bids may be called for and the parcel or parcels for which the bids were rejected may be leased as herein provided.
- Rejection of bids**
- Lands belonging to State and dedicated to public use.** SEC. 76. Lands, other than tide or submerged lands, belonging to the State and dedicated to a public use may be leased by the commission for the production of oil and gas in accordance with the provisions of this article and of this act in so far as not in conflict with this article.

Article 6. Oil and Gas Leases on Tide and Submerged Lands and Beds of Navigable Rivers and Lakes.

SEC. 85. Tide and submerged lands may be leased by the commission for the extraction of oil and gas in accordance with the provisions of this article and of this act in so far as not in conflict with the provisions of this article. No political subdivision of the State or any city or county or any official of either or any of them shall grant or issue any lease, license, easement, privilege, or permit vesting authority in any person to take or extract oil or gas from tide or submerged lands whether filled or unfilled of which the State is the owner or from which the State has the right to extract oil or gas, or both.

Provisions applicable to leases.

Prohibition on political subdivisions

SEC. 86. Whenever it appears to the commission that oil or gas deposits are known or believed to be contained in any such lands and may be or are being drained by means of wells upon adjacent lands not owned by the State, the commission shall thereupon be authorized and empowered to lease any such lands, either as a tract or in parcels of such size and shape as the commission shall determine, for the production of oil and gas therefrom, in the manner provided in this article.

When lands to be leased

SEC. 87. The commission shall prepare a form of lease which shall contain, in addition to other provisions deemed desirable and necessary by the commission, appropriate provisions contained in this act and the following:

Lease provisions required

(a) Each well drilled pursuant to the terms of such lease shall be drilled only upon filled lands or shall be slant drilled from an upland or littoral drill site to and into the subsurface of the tide or submerged lands covered by the lease. The derricks, machinery, and any and all other surface structures, equipment, and appliances shall be located only upon filled lands or upon the littoral lands or uplands, and all surface operations shall be conducted therefrom.

Drilling

(b) Pollution and contamination of the ocean and tidelands and all impairment of and interference with bathing, fishing or navigation in the waters of the ocean or any bay or inlet thereof is prohibited, and no oil, tar, residuary product of oil or any refuse of any kind from any well or works shall be permitted to be deposited on or pass into the waters of the ocean or any bay or inlet thereof.

Pollution of ocean and tidelands.

SEC. 88. When the form of lease has been prepared by the commission, the commission shall give notice of intention to lease such lands. The notice shall be published for a period of five consecutive days in a newspaper of general circulation in the county in which such lands, or the greater portion thereof, are situated and shall state the time (which shall not be less than fourteen days after the last date of publication of the notice) and place for receiving and opening of bids, a description of the lands, either as a tract or by parcels, and that the form of lease for the purpose of bidding may be procured at the designated office of the commission.

Notice of intention to lease - Publication and contents

Evidence of ability to furnish sites, etc.

SEC. 89. In any notice of intention to lease tide or submerged lands, the commission may include a requirement that each prospective bidder, as a condition precedent to the consideration of his bid and in addition to the other qualifications required by this act, shall present evidence satisfactory to the commission of his present ability to furnish all necessary sites and rights of way for all operations contemplated under the provisions of the proposed lease. In such event the commission shall reject the bids of all bidders who fail to qualify as provided by this section.

Opening of bids and award of lease.

SEC. 90. At the time and place specified in the notice the commission shall publicly open the sealed bids and shall award the lease for each parcel to the highest qualified bidder, unless in the opinion of the commission, the acceptance of the highest bid for any parcel or parcels is not for the best interests of the State, in which event the commission may reject the bids for such parcel or parcels. Thereupon new bids may be called for and the parcel or parcels for which the bids were rejected may be leased as herein provided.

Rejection of bids.

Agreements to compensate cities or counties for use of sites.

SEC. 91. If the Legislature has transferred to any city or county the administration of the trust, whether or not limited, under which such tide or submerged lands are held by the State, the commission, pursuant to the provisions of this act, may enter into agreements upon behalf of the State to compensate any such city or county for the use of surface drilling and operating sites upon such lands from the royalty or revenue to be derived by the State from oil and gas taken from such lands by lessees of the State.

Amount of compensation

Any such compensation shall include an amount sufficient reasonably to compensate any such city or county for any damage to or interference with the use or uses to which the surface of such lands are being or may be utilized by or upon behalf of such city or county. The consideration to the State in any such agreement shall include the right to a lessee of the State to carry on all operations on any such tidelands necessary to accomplish the purposes of this act and such terms and conditions as shall be determined by the commission to be in the interests of the State.

Consideration to State

The consideration to the State in any such agreement shall also include a compromise, settlement and release of any and all claims and rights which such city or county has or may have against the State arising out of or in connection with the extraction and removal of oil and gas from such lands as provided in this act.

Use of moneys paid

All money paid to any city or county under this act shall be used by it solely in furtherance of the trust under which the administration of tide and submerged lands has been transferred to such city or county and for the purposes expressed in the act so transferring administration of such lands.

Actions to enjoin drilling and recover damages.

SEC. 92. Should it appear to the commission that any person, association of persons, or corporation, has drilled, or is making preparation to drill, wells upon or into tide or

submerged lands for the extraction of oil or gas therefrom, whether or not such person, association of persons, or corporation may be acting under purported authority, the commission shall cause an action to be instituted in the name of and upon behalf of the State in a court of appropriate jurisdiction, to enjoin the occupancy and operations upon or in such lands and to demand compensation for injury and damage, if any, to such lands; except that, should the drilling operations be conducted upon or in lands which have been filled and if such operations have been commenced prior to the date of approval by the Governor of this act, the commission, if it appears to be in the interests of the State, may, upon behalf of the State, issue a lease to any such person, association of persons, or corporation in accordance with the provisions of this act in so far as applicable, and upon a royalty basis, retrospective and prospective, which appears reasonable and just in the circumstances to the lessee and the State.

Leases to persons drilling on filled land prior to approval of act.

Sec. 93. The beds of navigable rivers and lakes belonging to the State may be leased by the commission for the production of oil and gas, subject to the same limitations and conditions as are imposed upon tide and submerged lands by this article, and in accordance with the provisions of this act in so far as not in conflict with this article.

Leases of beds of navigable rivers and lakes

Sec. 94. Nothing in this act shall be construed to limit the effect of any grant of tide or submerged lands heretofore made to any city, county or other political subdivision, nor in any manner to prejudice whatever claim the State, on the one hand, or such city, county or political subdivision, on the other, may have in or to the right to extract or authorize the extraction of oil or gas or other minerals underlying such lands.

Effect on prior tide-land grants to political subdivisions

## Article 7. Minerals Other Than Oil and Gas.

Sec. 111. Prospecting permits and leases for the extraction and removal of minerals other than oil and gas from lands belonging to the State, other than tide or submerged lands, may be issued as provided in this article and in this act in so far as not in conflict with the provisions of this article.

Provisions applicable to prospecting permits and leases.

Sec. 112. The commission shall issue a prospecting permit, under such rules and regulations as it may prescribe, to any qualified applicant, upon the payment to the commission of one dollar per acre for each acre in area embraced within the boundaries of the lands described in the permit, but no permit shall be issued for any lands which have been classified by the commission prior to such application as containing commercially valuable mineral deposits.

Issuance of prospecting permit.

Prohibition

Such prospecting permit shall give to the permittee the exclusive right for a period not exceeding two years to prospect for minerals other than oil and gas upon not to exceed one hundred sixty acres of land wherein such mineral deposits belong to the State.

Right conferred

Extension  
of term.

The commission may, in its discretion, extend the term of any permit for a period not exceeding one year, but the term of any such permit, including extensions, shall be limited to a total of three years.

Securing  
preferential  
right to  
permit  
Erection of  
monument,  
posting and  
recording  
notice

SEC. 113. If the applicant erects upon the land for which a permit is sought a monument not less than four feet high, at some conspicuous place thereon, and posts written notice on or near the monument, stating that an application for a permit will be made within thirty days after the date of posting the notice, giving the name of the applicant, the date of the notice, and such a general description of the land to be covered by the permit by reference to courses and distances from the monument or from such other natural objects or permanent monuments, or both, as will reasonably identify the land, stating the amount thereof in acres, and if the applicant records a copy of the notice, within two days after the posting thereof, in the county recorder's office of the county in which the land is situated, he shall be entitled to a preferential right over others to a permit for the land so identified for a period of thirty days following such marking and posting.

Preferred  
right to  
permit in  
purchaser of  
State lands

SEC. 114. In case of an application for a permit or lease covering mineral deposits reserved to the State in lands sold by the State subject to such reservation by any one other than the owner of such lands, such owner shall have six months within which to file an application for a permit or lease, but if such owner fails to comply with the requirements of this act and the rules and regulations made in pursuance hereof, his preferential rights shall thereupon cease and terminate, and the original applicant shall be permitted to proceed with his application.

Marking and  
posting  
notice on  
land covered  
by permit

SEC. 115. The applicant shall, within ninety days after receiving a permit, mark each of the corners of the tract described in the permit upon the ground with substantial monuments, so that the boundaries can be readily traced upon the ground and shall post in a conspicuous place upon the lands a notice that such permit has been granted and a description of the lands covered thereby.

Right to  
lease on  
discovery of  
minerals.

SEC. 116. Upon establishing to the satisfaction of the commission that commercially valuable deposits of minerals have been discovered within the limits of any permit, the permittee shall be entitled to a lease for not more than forty acres of the land embraced in the prospecting permit, if there be that number of acres within the permit. The area to be selected by the permittee shall be in compact form, and if surveyed to be described by the legal subdivisions of the public land surveys; if unsurveyed, to be surveyed by the commission at the expense of the applicant for the lease, in accordance with rules and regulations to be prescribed by the commission, and the lands leased shall be conformed to and taken in accordance with the legal subdivisions of such surveys.

Survey, etc.

Royalty and  
rental

Such lease shall be upon a royalty, as specified by the commission in the permit, and the annual payment in advance of

a rental of one dollar per acre, the rental paid for any one year to be credited against the royalties as they accrue for that year.

SEC. 117. Until the permittee applies for a lease as to that portion of the area described in the permit herein provided, he shall pay to the State twenty per cent of the gross value of the minerals secured by him from the lands embraced within his permit and sold or otherwise disposed of or held by him for sale or other disposition.

Royalty payable until application for lease

SEC. 118. All deposits of minerals, other than oil and gas, in lands belonging to the State which have been classified by the commission as lands containing commercially valuable mineral deposits and all deposits of such minerals within lands embraced within a prospecting permit and not subject to preferential lease to the permittee, may be leased by the commission to the highest responsible bidder by competitive bidding under general regulations to qualified applicants in areas not exceeding eighty acres and in tracts which shall not exceed in length two and one-half times the width, in such form as the commission deems to be to the best interest of the State. In addition to the royalty provided therein, each bid and each lease shall also provide for an annual rental payment in advance of such sum as the commission shall specify, which rental shall be credited against the royalties, if any, as they accrue for that year.

Lease of mineral land classed as containing commercially valuable deposits or in which permittee has no preferential right.

Annual rental

SEC. 119. Leases under this article shall be for terms of twenty years with the preferential right in the lessee to renew the lease for successive periods of ten years upon such reasonable terms and conditions as may be prescribed by the commission.

Term of leases.

SEC. 120. The commission shall prescribe such additional terms, covenants and conditions, consistent with the provisions of this act, of permits and leases issued under this article as will in its opinion effectually protect the interests of the State in the mineral deposits reserved to it by this act.

Additional terms and conditions.

## Article 8 Miscellaneous Provisions.

SEC. 130. All moneys and remittances received by the State pursuant to this act shall be deposited in the State treasury to the credit of the "State Lands Act Fund," which fund is hereby created. There shall also be transferred to and deposited in said fund the balance of moneys in any appropriation or special fund in the State treasury now remaining or made available by law for the support of the Division of State Lands in the Department of Finance or for the administration of the statutes and laws the administration of which is transferred to the commission by this act. The moneys in said fund are hereby appropriated as follows:

"State Lands Act Fund."

Appropriation.

(a) There shall first be transferred to the "school fund" all rents, bonuses, royalties, and profits accruing from the use of State school land.

(b) The moneys transferred to the State lands act fund from existing appropriations and special funds, as provided by this section, shall be expended by the commission only in accordance with law for the support of the Division of State Lands in the Department of Finance and for carrying on the works or performing the duties for which the appropriations were made or the special funds created.

(c) The remainder of the moneys shall be used by the commission, with the approval of the Director of Finance and the consent of the Governor, to carry out the provisions of this act, including the acquisition of real property or interests therein, the purchase of materials and supplies, and the conducting of operations by the State as provided herein, the payment by the State of such sums as may be provided pursuant to agreements or contracts authorized herein, the payment of the necessary expenses of the commission, and the payment of refunds.

(d) Any remaining balance shall be transferred to the general fund on order of the commission, except thirty per cent thereof, which shall be transferred to the "State park maintenance and acquisition fund," which fund is hereby created, to be expended in the manner hereafter provided by law.

"State park maintenance and acquisition fund "

Repeals and effect thereof.

SEC. 131. The following acts, together with all amendments thereof, are hereby repealed, but such repeal shall not affect any existing vested rights thereunder or any permit, lease, or agreement entered into under any provision thereof, nor shall it affect the rights or duties of any purchaser of State lands sold prior to the effective date of this act.

"An act to reserve all minerals in State lands; to provide for examination, classification and report on the mineral and other character of State lands; to provide for the granting of permits and leases to prospect for and take any such minerals; to provide for the rents and royalties to be paid, and granting certain preference rights; to provide for the making of rules, regulations and contracts necessary to carry out the purposes of this act; and repealing acts or parts of acts in conflict herewith: providing for an appropriation to defray the cost of administering this act," approved May 25, 1921 (Chapter 303, Statutes of 1921).

"An act to authorize the leasing of certain lands belonging to the State of California containing oil, gas, or other hydrocarbon deposits and providing for the disposition of the moneys received under said leases, and creating a commission to carry out the provisions of this act," approved May 25, 1923 (Chapter 227, Statutes of 1923).

Construction

SEC. 132. This act shall not be construed as repealing or otherwise affecting an act entitled "An act relating to lakes and streams, the waters of which contain minerals in commercial quantities; withdrawing State lands within the meander lines thereof from sale; prescribing conditions for taking such minerals from said waters and lands, and providing for the leasing of lands uncovered by the recession of



the waters of such lakes and streams," approved April 27, 1911 (Chapter 612, Statutes of 1911).

SEC. 133. If any clause, sentence, paragraph or part of this act shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act, but shall be confined in its operation to the clause, sentence, paragraph or part thereof directly involved in the controversy in which such judgment shall have been rendered. Constitutionality.

SEC. 134. All acts or parts of acts in conflict with the provisions of this act are hereby repealed. Repeal.

## CHAPTER 6.

*An act to amend an act entitled "An act to conserve the agricultural wealth of the State of California, and to prevent economic waste in the marketing of agricultural crops produced in the State of California, and in that behalf creating an Agricultural Prorate Commission; providing for the appointment of members of said commission, fixing the term of office of the members of said commission; prescribing the powers, duties and authority of said commission and the members thereof; providing for the institution of proration programs with respect to agricultural crops; providing for the enforcement of such programs; providing penalties for violation of such programs; providing for the creation of funds for the purpose of said act and providing for the collection thereof; and making an appropriation therefor," approved June 5, 1933, as amended, by amending sections 2, 8, 9, 10, 13, 18, 19.1, 22 and 22.5, all relating to the institution and enforcement of agricultural proration programs; and to declare the urgency of this act, and that this act shall take effect immediately.* Stats 1933,  
p. 1969,  
amended

[Approved by the Governor March 29, 1938 Filed with Secretary of State March 29, 1938. In effect immediately.]

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

SECTION 1. Section 2 of the act cited in the title hereof is hereby amended to read as follows: Stats 1935,  
p. 1527.

Sec. 2. As used in this act:

(a) The term "person" includes any individual, firm, association or corporation. Definitions.

(b) The terms "agricultural waste," in addition to their ordinary meaning, shall include economic waste, and waste incident to the harvesting and/or preparation for any delivery to market of agricultural commodities in excess of reasonable market demands.

(c) The terms "product" or "commodity" mean any horticultural, viticultural, or vegetable product of the soil, live

stock and poultry or any of their products, but shall not include milk or milk products.

(d) The terms "proration zone" or "zone" mean any district or districts with respect to which a program of market proration is proposed to be or has been instituted.

(e) The term "commission" means the Agricultural Prorate Commission unless otherwise indicated by the context.

(f) The term "producer" means any person engaged in the business of commercially growing or producing any agricultural product for commercial use to the extent of at least one producing factor as hereinafter defined.

(g) The term "distributor" means any person, other than a retailer, who acquires and distributes any product at wholesale or retail.

(h) The term "retailer" means any person engaged in the business of making sales at retail.

(i) The term "handler" means any person receiving agricultural commodities from the producer for the purpose of marketing the same.

(j) The phrase "primary channel of trade" shall mean that transaction in which the producer or his cooperative marketing association loses physical possession of the commodity through the sale thereof or other disposition commercially.

(k) The term "producing factor" means the unit of one acre in commercial production unless the commission finds a smaller unit is required to assure reasonable control of the commodity, in which case the commission may determine the "producing factor" to be either one-half or one-fourth of such an acre. In a case of a prorate program for live stock or poultry or the products thereof the producing factor shall be specified in the petition.

(l) The term "owner" means the producer in possession of agricultural commodities and legally entitled to dispose of the same for marketing purposes.

(m) The term "proration" means the uniform percentage of their total production which all producers may harvest and prepare for market and/or market during specified proration periods.

(n) The term "dealer" means any distributor or retailer.

(o) The term "processor" means any person who buys, or otherwise takes title to or possession of, farm products for the purpose of processing or manufacturing the same or selling, reselling or redelivering the same in dried, canned, extracted, fermented, distilled, or other preserved form, and shall include (1) any person or exchange conducting such business and (2) any person or exchange buying farm products from the producer thereof the reselling of them to any person or exchange conducting such business.

(p) The term "production" means that portion of the total crop of an agricultural commodity of a producer which

qualifies for marketing and sale to the consuming public under existing standardization and other laws of this State and of the United States, and for which a market is available.

(q) The singular includes the plural.

SEC. 2. Section 8 of the act cited in the title hereof is hereby amended to read as follows: Stats 1935.  
p. 1530.

Sec. 8. An agricultural prorated marketing program may be based either upon a producing zone or upon a market zone, the basis to be specified in the petition therefor. A program for the prorated marketing of a variety or kind of agricultural commodity may be initiated by presenting a petition therefor to the commission. Such petition shall indicate whether it is proposed that such program be instituted by an order of the commission or by an election by qualified producers. Petition  
for prorated  
marketing

The said petition shall, among other things contain: Contents.

(1) A legal description of the district or districts comprising the zone upon which the proposed marketing program is to be based, together with a map thereof.

(2) A general statement of facts showing the necessity for the institution of a prorated marketing program.

(3) If such petition proposes an election by qualified producers, the signatures of not less than fifty qualified producers of said kind or variety of agricultural commodity within the proposed producing zone or supplying the proposed market zone, as the case may be, shall be sufficient. If such petition proposes that a program be instituted by order of the commission, the signatures of not less than two-thirds of the qualified producers of said kind or variety of agricultural commodity and of the owners of not less than fifty-one per cent of the producing factors within the proposed producing zone or supplying the proposed market zone, as the case may be, shall be required. Wilful misrepresentation of any fact in signing such petition shall be unlawful.

There shall also be filed with said petition a good and sufficient undertaking to be approved by the commission, in double the amount of the probable cost of conducting the hearing of the petition by the commission, conditioned that the sureties will pay all such costs in case the petition be denied. Undertaking

The signatures to said petition may be either in person or by agent or representative duly authorized in a writing other than a marketing contract. Any nonprofit cooperative marketing association may sign such petition for its members if expressly authorized so to do by an instrument in writing signed by the member. Signatures

In the case of horticultural or viticultural products each producer shall be entitled to sign for the number of producing factors specified in the petition, which he produced or possessed during the preceding season, or in the case of vegetable products or live stock and poultry and their products, the producing factor shall be based upon the actual acreage Producing  
factors

planted or live stock owned or the products thereof produced at the time he signs the petition.

**Penalty** It shall be a misdemeanor to obtain or prevent signatures to any petition by threats to curtail credit, call loans, refuse to purchase crops or by any other form of coercion whatsoever.

**Stats 1935, p. 1532.** **SEC. 3.** Section 9 of the act cited in the title hereof is hereby amended to read as follows:

**Hearing on petition.** **Sec. 9.** Upon the receipt of a petition for the establishment, annexation or termination of a prorate program, the commission shall hold a hearing at some central point located within the district described in said petition and proposed to be established as a proration marketing zone. The names and addresses of all producers claimed by petitioners as being producers shall be filed and opened to public inspection by any interested party not less than twenty days prior to the hearing in the agricultural commissioner's office in each county or portion thereof in the proposed zone. **Notice.** Notice of such hearing shall be given at least ten (10) days prior thereto by publication in a newspaper of general circulation printed and published in each county affected and by posting in at least ten (10) conspicuous places in said district. If no paper is published in such district, then said notice shall be published in such paper as is published in the county and has general circulation in such district. In case the proposed proration zone includes more than one district the required notice shall be given in each district and the commission shall hold hearings in each of said districts. At said hearings the commission shall receive and hear the evidence offered by the petitioners in support of the petition and by any interested person in opposition thereto.

All evidence and exhibits and all facts and data used directly or indirectly by the commission, or introduced at a hearing, shall within a reasonable time after being so used or so introduced be available at a central point to all interested parties

Certificates of county agricultural commissioners as to the number of producers, acres or other producing factors engaged in the production of any variety or kind of commodity in their respective counties shall be prima facie evidence of the facts therein stated.

Said hearings may be adjourned from time to time and from place to place as the circumstances may require. A transcript of the proceedings at all such hearings shall be made by the commission and shall be open to inspection by any interested party.

**Stats 1935, p. 1532.** **SEC. 4** Section 10 of the act cited in the title hereof is hereby amended to read as follows:

**Require-ments for granting petition.** **Sec. 10.** If upon such hearing it shall be found by the commission that the following facts actually exist:

(1) That the petition, which shall also include any counterpart supplements thereto which may have been filed with the commission during or prior to the hearing, is signed in person or by authorized representatives by the required number of

producers and by the owners of the required number of producing factors; and

(2) That the economic stability of the agricultural industry concerned is being imperiled by prevailing market conditions; and

(3) That agricultural waste is occurring or is about to occur; and

(4) That the institution of a program of prorated marketing will conserve the agricultural wealth of the State and will prevent threatened economic waste; and

(5) That the institution of a proration program as proposed in the petition will advance the public welfare without discrimination against any producer; and

(6) That the proposed program may be instituted and conducted without permitting unreasonable profits to the producers and that the commodity named in the petition can not be marketed at a reasonable profit otherwise than by means of such a program; and

(7) That the proposed zone of proration includes all of the territory within this State reasonably necessary to render the proposed program feasible, it shall make written findings to that effect. If in the case of any petition it shall appear to the commission that the inclusion of territory additional to that described in the petition is necessary to the feasibility of the proposed program, it shall postpone further proceedings until notice shall have been given to the producers within such additional territory in the manner provided for in section 9 hereof. Thereafter said petition may be amended to include such additional territory and the commission may complete said hearing and make findings in the manner hereinbefore provided. If the commission shall find against the existence of any of the facts required to be present under this section, it shall deny the petition.

Sec. 5. Section 13 of the act cited in the title hereof is hereby amended to read as follows:

Stats 1935,  
p 1534

Sec. 13. At such elections only producers of the commodity named in the petition shall be entitled to vote, and each producer shall be entitled to one vote for the first fifty producing factors or any fractional portion thereof and one vote for each additional fifty factors or any fractional portion thereof. At the time of posting notices of election, the agricultural commissioners of each county shall be notified thereof, and it shall be the duty of such agricultural commissioners to prepare lists of producers entitled to vote in each precinct in their respective counties, which list shall be filed in the office of the county clerks of their respective county at least five (5) days prior to the day of election. Such lists shall also show the producing factors belonging to or controlled by each producer of the commodity as to which a proration program is proposed. Said agricultural commissioners shall at the same time notify by mail all producers whose names appear on such lists of the number of votes to which they are entitled. No irregularity

Voters.

Notice re  
number of  
votes.

in the mailing of such notices, and no failure on the part of the producer to receive such notice shall affect the validity of the subsequent election.

Stats 1935,  
p 2088.

Proration  
program  
committee

SEC. 6. Section 18 of the act cited in the title hereof is hereby amended to read as follows:

SEC. 18. In the event of the institution of a marketing program in a proration zone, it shall be the duty of the commission to forthwith select a proration program committee of five producers and two handlers operating within the zone. The producer members of said program committee shall be chosen for terms of two years by the commission from a group of fifteen nominees who are to be nominated by the producers. The commission in the selection of the program committee shall take cognizance of and, in so far as possible, give representation upon such committee to the various geographical areas or districts coming under the proration program. No producer member of the program committee shall be a handler or processor or an employee or officer of a handler or processor, except that a nonprofit cooperative organization may be represented by officers or directors who are producers, providing that no more than three such producer members of the prorate program committee shall be members of the same nonprofit cooperative organization. In the case of commodities, the bulk of which is processed before consumption, one of the producer members of said program committee shall be a processor. In the event that the commission shall be of the opinion that a committee of seven will not afford adequate representation to all of the factors in the industry concerned, it may appoint a program committee of six producers and three handlers provided said producers are selected from the list of nominees selected by the growers as provided for herein. The members of such program committee shall not be entitled to compensation but may be reimbursed their actual and necessary traveling expenses.

The commission shall require new nominations for producer members of existing program committees prior to the commencement of the first marketing seasons in which such committees function occurring after the effective date of this amendment and the appointments made after such nominations shall be for terms of two years.

Upon request of petitioners for the institution of a program or of a program committee therefor, the commission shall also appoint in the same manner as the program committee was appointed an alternate for each member of the committee. Such alternate shall be entitled to sit as a regular member of the committee in case the member for whom he is an alternate fails for any reason to attend any meeting of the committee.

Vacancies on the program committee occasioned by the expiration of term, death, or resignation of any member, or by removal for incompetency or inattention or neglect of duties as a member of the program committee by the com-

mission, or by a member ceasing to qualify as a producer or handler of the commodity concerned, shall be filled in the same manner as the original appointments were made.

The program committee shall appoint an agent, who shall administer the proration program under the direction of the program committee and who may be removed from office in the same manner as he was appointed.

Such agent shall appoint such deputy agents and other assistants as may be necessary to direct the program which appointments shall be subject to the approval of the program committee. The salary and/or compensation received by the secretary shall not exceed the sum of five thousand dollars (\$5,000) per annum from all sources and no officer or employee shall receive compensation based on a percentage of volume involved in a prorate program, or in any manner that would lend encouragement to the promotion of a proration program for the purpose of increasing salaries and income.

SEC. 7. Section 19.1 of the act cited in the title hereof is hereby amended to read as follows: Stats 1935,  
p 1537

Sec. 19.1. In any marketing program approved by the commission, a program committee shall be empowered to determine the method, manner and extent of proration and the movement of the prorated commodity from harvest into a primary channel of distribution. Proration may be periodic or seasonal in character and may be based upon actual production, whether in storage or otherwise, or upon estimated production. The estimated production shall be subject to revision by the program committee in accordance with crop and market conditions. In estimating production a program committee shall give consideration, among other factors, to the normal production of the various producing units. The program committee, for the purpose of minimizing the effect of existing surpluses upon market conditions, shall be empowered in any or all of the following particulars: Powers and  
duties of  
program  
committee  
re marketing  
program

(a) To establish and maintain surplus pools which shall be authorized to receive from each producer from time to time his surplus of the prorated commodity and market the same by grades for the account of the producer when it can be advantageously disposed of either in its original or some converted state; provided, however, such surplus shall not be marketed in any form which would directly compete with that part of the crop which is regularly certificated; and provided further, that any part of any such surplus may be turned over by a program committee to charitable organizations, self-help cooperatives, and similar agencies under proper safeguards to prevent any part of the commodity so disposed of from directly competing with the part of the crop marketed through the usual channels of trade. In operating any such surplus pool, a program committee may fix grading, packing, and servicing charges to be assessed against such commodities received by the pool and requiring such handling.

The program committee shall handle all commodities received by a surplus pool and account for the same on a pooled basis. Each producer delivering his surplus to a pool shall be credited for his proportionate share of the surplus so delivered.

(b) To create, establish or otherwise obtain and operate facilities for the grading, packing, servicing, processing, preparing for market and disposal of such surplus in such manner as to maintain stability in the markets and to sell such surplus and/or any of its derived products.

(c) To appoint and empower subcommittees in the separated producing areas within the zone to facilitate the carrying out of the purposes of this act.

(d) To collaborate and cooperate with agencies or organizations with similar purposes, whether of this State, other States or of the United States, in the formulation and execution of a common marketing program; provided, that in proper cases the commission may require such collaboration and cooperation.

(e) To minimize an existing surplus by cooperating with the proper agencies in the enforcement of applicable existing standardization or other laws of this State, and of the United States, enacted to protect the consuming public from fraud or deception.

(f) To create, maintain and disburse an equalization fund to be used for the removal of any inequalities between producers as to the total volume marketed through prorated channels resulting from errors in estimating production or surplus.

(g) To establish and apply methods of equating the marketable supply of any grade, quality or size of any commodity to the reasonable market demands therefor.

(h) To broaden distribution and increase consuming outlets by appropriate educational and trade stimulation efforts of a general industry nature and not unfairly depreciative of the qualities of any other food product; provided, that such program is requested in the petition for institution of the program or in writing by not less than two-thirds of the qualified producers and of the owners of not less than fifty-one per cent of the producing factors involved; provided, further, that in the case of programs instituted prior to the effective date of this act, program committees may be empowered as in this subsection provided upon request therefor by a two-thirds vote of such program committees.

(i) To make contracts and agreements in the name of the zone in the furtherance of any of the powers mentioned in this section.

Cost of  
exercising  
powers.

The cost of the exercise of such powers as are herein granted to the program committee shall be a part of the cost of the operation of the program and shall be obtained through fees in the same manner as other costs of the program; provided, that no part of any funds raised for the purposes specified in



subsection (h) of this section shall be applied to the cost of maintenance of the commission.

SEC. 8. Section 22 of the act cited in the title hereof is hereby amended to read as follows: Stats. 1935,  
p. 1539.

Sec. 22. The commission shall have power to establish such rules and regulations consistent with this act as may be necessary to carry out the purposes thereof, and through its duly authorized representatives and agents shall have access, solely for the purposes of investigating possible violations of any program, to the records of producers, dealers, distributors, public and private property transportation agencies, and handlers of a commodity as to which a proration program has been instituted, and shall have at all times free and unimpeded access to all buildings, yards, warehouses, storage and transportation facilities and other places in which any commodity under a proration program is kept, stored, handled or transported. All information obtained by the commission shall be confidential and shall not be disclosed except when required in a judicial proceeding. Rules and  
regulations.

SEC. 9. Section 22.5 of the act cited in the title hereof is hereby amended to read as follows: Stats. 1935,  
p. 1540.

Sec. 22.5. It shall be a misdemeanor for:

(1) Any person to wilfully render or furnish a false or fraudulent report, statement or record required under this act; Unlawful  
acts.

(2) Any person to deliver into a primary trade channel without proper authority any commodity upon which a proration program shall have been instituted.

(3) Any handler, dealer or carrier to receive or have in his possession, within this State, without proper authority any commodity upon which a proration program has been instituted.

(4) Any person to aid or abet in the commission of any of the acts specified in this section, and each infraction shall constitute a separate and distinct offense.

The provisions of this section shall not apply to a common carrier operating over a regular route or between fixed termini where such shipment is made by such common carrier in good faith and in accordance with its duties as a common carrier and where a record of every such shipment within or from this State is kept by such common carrier showing the date of shipment, character and quality of shipment, origin and destination of such shipment, and the names of the consignor and the consignee. Such record shall be open to inspection at all reasonable hours by or on the written order of the official or administrative authority charged with the enforcement of this act or any marketing program instituted thereunder. Application  
of act.

SEC. 10. This act is hereby declared to be an urgency measure necessary for the immediate preservation of public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of this State and shall, there- Urgency.

fore go into immediate effect. A statement of the facts constituting such necessity is as follows:

The economic conditions confronting many agricultural producers throughout the State are such as to require immediate remedy if their purchasing power and tax paying ability are to be improved and maintained and their standards of living and of citizenship are not to be undermined. Legislative remedies affecting the marketing of agricultural commodities must take effect immediately if they are to be of benefit during the current year.

## CHAPTER 7.

*An act declaring a State policy relating to soil conservation through the prevention or control of soil erosion, creating a State Soil Conservation Committee and defining its duties and authority; providing procedure for the organization, management and dissolution of soil conservation districts and defining their powers and providing for cooperation between the State Soil Conservation Committee, the United States, the State, counties, soil conservation districts, other public districts, and individuals and corporations.*

[Approved by the Governor March 29, 1933. Filed with Secretary of State March 29, 1933. In effect June 11, 1933.]

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

Legislative  
purpose.

SECTION 1. The Legislature believes that the conservation of the soil is of great importance to the prosperity and welfare of all of the people of California and for that reason, through this particular act, seeks to provide a means (1) by which the State may cooperate with the United States and with public soil conservation districts organized under the provisions of this act in securing the adoption in California of farm and range practices that are best adapted to save our soil resources from unreasonable and economically preventable waste, and (2) by which public soil conservation districts may be organized by owners of private land and land of the United States or of the State of California, which districts shall have the legal authority to cooperate with the United States and with the State of California and with counties and public districts and individuals and corporations, and to construct on privately-owned land or on land of the United States or of the State of California such necessary works for soil conservation through the prevention and control of soil erosion as the owners thereof may direct and approve under the terms and conditions and in accordance with the procedure provided in this act.

Legislative  
determination

SEC. 2. It is hereby declared as a matter of legislative determination: (1) that the construction and maintenance on privately-owned land and on the land of the United States or of the State of California or of any political subdivision

thereof of works for the control of run-off and for the prevention of soil erosion through the action of water or wind or otherwise is in the general public interest and for the general public benefit, and (2) that the expenditure of State, county, district or other public funds for the construction or maintenance of such control or preventive works on privately-owned land or on land of the United States or of the State of California constitutes expenditure for the general public benefit.

SEC. 3. There is hereby created the State Soil Conservation Committee consisting of the State Engineer, the dean of the College of Agriculture of the University of California, and one member to be appointed by the Governor who shall serve, without compensation, at the pleasure of the Governor. Such appointed member shall be a qualified civil engineer or soil specialist who at the time of his appointment shall have had at least three years experience in the study and planning or in the construction of works for the control or prevention of soil erosion. The committee shall annually, at its first meeting in July, elect one of its members chairman to serve for the ensuing year or until a successor has been elected. The committee shall appoint a secretary, to serve at its pleasure; provided that, with the approval of the president of the University of California, a qualified member of the staff of the College of Agriculture may be appointed as such secretary. No additional salary shall be paid to the State Engineer or to the dean of the College of Agriculture, or to a member of the staff of the College of Agriculture appointed to act as secretary of the committee, on account of their services as members of the committee. The members of the committee and the secretary shall each be allowed reasonable and necessary expenses, to be paid from any moneys available to the committee, when in attendance at meetings of the committee or when otherwise engaged, by direction of the committee, in the work of the committee.

State Soil  
Conservation  
Committee.

Organiza-  
tion

Salary.

Expenses.

SEC. 4. Immediately after this act takes effect and after the appointment of the appointive member provided for in section 3 of this act the organization of the State Soil Conservation Committee shall be declared by executive order of the Governor. The official headquarters of the board shall be at the College of Agriculture of the University of California in the city of Berkeley, or in the office of the State Engineer in the city of Sacramento, as the committee shall determine.

Declaration  
of organi-  
zation

Head-  
quarters

SEC. 5. The State Soil Conservation Committee shall have the following powers:

Powers

(1) To promote the formation of soil conservation districts under the provisions of this act.

(2) To investigate proposed soil conservation districts and, upon request, to report its findings and conclusions to the proponents of such districts and to the boards of supervisors with

which petitions for the formation of a soil conservation district have been filed.

(3) To advise with organized soil conservation districts with reference to their plans and proposals relating to soil conservation activities.

(4) To cooperate with the United States and with any soil conservation district or with any county or public district or with any individual or corporation in the furtherance of the purposes of this act, and to that end to receive and use contributions of funds or services or both for the investigation or planning of works for soil conservation through the control or prevention of soil erosion on the lands of the United States or of the State of California, or of any county or public district, or on the lands of private owners. Any funds contributed to the committee shall be deposited by the committee with the State Treasurer and be placed to the credit of the committee.

(5) In so far as feasible and desirable and consistent with the duties, obligations, and responsibilities of other public agencies, to coordinate the activities of the various public agencies, including but not limited to public soil conservation districts, in furtherance of soil conservation through the prevention and control of soil erosion.

(6) To employ such clerical or technical assistance as they may deem necessary and to fix their compensation within the limits of funds available to the committee for such purposes.

Limitation  
on expendi-  
tures.

SEC. 6. The State Soil Conservation Committee shall not incur expenditures in excess of the express provisions of this act or in excess of funds specifically made available to it by legislative appropriation or by contribution from the United States, counties, soil conservation districts, other public districts, or individuals or corporations. Any county in the State of California is hereby authorized to contribute funds of such county to the State Soil Conservation Committee or to any soil conservation district in furtherance of the provisions of this act.

County con-  
tributions

Soil con-  
servation  
districts.

SEC. 7. Soil conservation districts may be formed under the provisions of this act for the purpose of soil conservation through the prevention or control of soil erosion. The lands that may be included in any such district shall be those generally of value for agricultural purposes, including farm and range lands useful for the production of agricultural crops or for the pasturing of live stock. The lands included in any one district need not be contiguous but they shall be susceptible of the same general plan or system of prevention or control of soil erosion and may be situated in one or more counties of the State.

Organiza-  
tion:  
Petition.

SEC. 8. In order to initiate the organization of a soil conservation district under the provisions of this act a petition shall be presented to the board of supervisors of the county in which a majority in area of the proposed district lies describing generally the boundaries of such area and request-

ing that it be organized into a soil conservation district, and specifying the number of directors it is desired to elect to govern and manage the district, which shall be either three or five. The petition shall propose a name for such district and shall be signed by at least a majority of the owners of the land proposed to be so organized, and such signers shall own a majority in acreage of the entire area proposed in the petition to be included. For the purposes of this petition owners of land shall be deemed to be those whose names appear as such on the last preceding equalized assessment roll of the county or counties within which the lands specified in the petitions are situated. The county assessor shall certify to the board of supervisors as to whether the signers of the petition constitute a majority of the owners and as to whether they own a majority of the land in the proposed district, both according to the last equalized county assessment roll. If, after receiving the said certification by the county assessor, the board of supervisors finds that it complies with the requirements of this act, said board shall cause the petition to be published for at least two weeks in some newspaper of general circulation published in each of the counties in which some portion of the proposed district is situated, and the cost of such publication shall be paid by the county in which said petition has been filed. When contained upon more than one instrument, one copy only of such petition need be published, but the names attached to all of such instruments must appear in such publication.

Signatories

Certification

Publication

SEC. 9 On the date the petition is received and first considered by the board of supervisors they shall cause a copy thereof to be forwarded to the State Soil Conservation Committee with a request that said committee investigate the proposed district, particularly as to its practicability and feasibility for effectively accomplishing soil conservation through prevention and control of soil erosion at a cost commensurate with the probable benefits. The board shall request that the said committee report as soon as practical and in any event within sixty days. On receipt by the board of the report of the said committee the board shall set a time for hearing, giving notice thereof by publication in a newspaper published for two weeks in some newspaper published in each county in which some part of the district lies. On such date the board shall proceed to a hearing on the petition and shall hear and consider all relevant testimony in support of or in opposition thereto; provided, that if said report by the State Soil Conservation Committee is not received within sixty days, the hearing shall be postponed to the next regular meeting of the board and be similarly postponed from time to time until the report of the committee shall have been received. Any owner of land within the proposed district objecting to have his land included therein may appear and present written or oral objections to its being so included, and all such objections shall be duly and carefully considered

Investigation  
and report.Notice and  
hearing.Objections  
to land  
included.

by the board before entering its final order. Any owner of land not included within the boundaries of the proposed district may likewise appear and request that his land be included. In its final determination the board shall not include in the proposed district any land which, in the judgment of the board, will not be benefited by the carrying out of the proposed district project or plans, nor shall any land be excluded which, in the judgment of the board, will be so benefited.

Grant or  
dismissal of  
petition

SEC. 10. If the report of the State Soil Conservation Committee is favorable to the organization of the proposed soil conservation district, and if, in the judgment of the board of supervisors, such organization is likely to prove beneficial to the lands included and is in the public interest, it shall enter an order granting the petition for the formation of the district, fixing the boundaries thereof as provided in section 9 hereof. If the report of the State Soil Conservation Committee is unfavorable to the formation of the proposed district, or if in the judgment of the board of supervisors such formation is not desirable, the board shall thereupon dismiss the petition.

Election of  
first  
directors;  
Nomination  
of candi-  
dates

SEC. 11. Directors of the district shall be elected at large and be owners of land within the district. Candidates for office of director of the district to be voted on at the election on organizations shall be those that are nominated by at least five resident landowners within the district. Such nominations shall be in writing and shall be signed by the individuals making the nominations and be filed with the board of supervisors at least ten days before the date of the election.

Notice of  
election.

SEC. 12. The board of supervisors shall then call and cause notice to be given of an election to be held in such district for the purpose of determining whether or not the district shall be organized, and to elect a board of directors for the district in case it shall be organized. Such notice shall

Contents

describe the boundaries so established and shall designate a name for the proposed district, and specify the number of directors to be voted for, which shall be either three or five, as the petition for organization of the district may specify. The

Publication

notice shall be published once each week for three consecutive weeks, previous to such election, in a newspaper published within the county in which the petition for the organization of the proposed district was presented; and if any portion of such proposed district is in another county or counties, then such notice shall be published for the same length of time in a newspaper published in each of such counties. For the purposes of said election the board of supervisors shall establish a convenient number of election precincts in the proposed district and define their boundaries and designate a polling place in each. Election officers for said election shall be appointed, ballots and other supplies shall be provided, and such election shall be conducted as nearly as practicable in accordance with the provisions of this act concerning general soil conservation district elections, unless herein otherwise

Election  
precincts

Election  
officers,  
conduct of  
election,  
etc.

particularly provided, excepting, however, that the board of supervisors shall act in place of the board of directors and the clerk of the board of supervisors shall act in place of the secretary of the board of directors. On the ballots provided for said election shall be printed a proposition substantially as follows: "Shall the proposed-----soil conservation district be organized?" followed by the words "Yes" and "No", with voting space thereafter. No informalities in the conduct of said election or in any matters relating thereto shall invalidate said election or the result thereof if notice thereof shall have been given substantially as herein provided and said election shall have been fairly conducted. Ballots.

SEC. 13. No person shall be entitled to vote at any election held under the provisions of this act unless he possesses all the qualifications required of electors under the general election laws of the State. Voting qualifications.

SEC. 14. The board of supervisors shall meet on the second Monday succeeding such election, and shall proceed to canvass the votes cast thereat, and if upon such canvass it appears that a majority of all the votes cast are "Soil Conservation District—Yes," said board shall, by an order entered on its minutes declare the territory duly organized as a soil conservation district, under the name theretofore designated, and shall declare the persons receiving respectively the highest number of votes at said election to be duly elected. If it appears that a majority of all the votes cast are "Soil Conservation District—No," the board shall declare the election lost. Canvass of votes.

SEC. 15. If the board of supervisors enters an order that the proposed district has been duly organized, said board shall then cause a copy of such order, duly certified, to be immediately filed for record in the office of the county recorder of each county in which any portion of the lands embraced in such district are situated, and must also immediately forward a copy thereof to the clerk of the board of supervisors of each of said last-mentioned counties, and no board of supervisors of any county in which any portion of the lands embraced in such district are situated shall, after the date of the organization thereof, allow another soil conservation district to be formed including any portion of said lands, without the consent of the board of directors of the district in which they are situated. From and after such filing, the organization of such district shall be complete. Completion of organization.

SEC. 16. Such election or organization may be contested by any person owning property within the proposed district liable to assessment. The directors elected at such election shall be made parties defendant. Such contest shall be brought in the superior court of the county where the petition for organization is filed: provided that if more than one contest be pending they shall be consolidated and tried together. The court having jurisdiction shall speedily try such contest, and determine, upon the hearing, whether the election was fairly Election contest.

- conducted and in substantial compliance with the requirements of this act, and enter its judgment accordingly. Such contest must be brought within twenty days after the canvass of the vote and declaration of the result by the board of supervisors. The right of appeal is hereby given to either party to the record within thirty days from entry of judgment. The appeal must be heard and determined by the Supreme Court within sixty days from the time of filing the notice of appeal.
- When must be brought.**      **Appeal**
- First directors: Entrance upon duties**      **SEC. 17.** The directors elected at the election hereinbefore provided for shall immediately enter upon their duties as such, upon qualifying in the manner for such officers herein provided. Said directors shall hold office respectively until their successors are elected and qualified.
- Terms.**      **SEC. 18.** The directors of any district created after the passage of this act, on the first Tuesday after they have been elected and after they shall have qualified, shall meet and classify themselves by lot into two classes as nearly equal in number as possible, and the term of office of the class having the least number shall expire at noon on the first Tuesday in March of the next odd-numbered year after the year in which said meeting is held, and the term of office of the class having the greater number shall expire at noon on the first Tuesday in March of the second odd-numbered year after the year in which said meeting is held. After such classification, said directors shall organize as a board, shall elect a president from their number, and appoint a secretary, who shall each hold office during the pleasure of the board. The salary of the secretary and the amount of the bond to be given by him for the faithful performance of his duties shall be fixed by the board of directors.
- Organiza-tion.**      **SEC. 19** The board of directors shall hold a regular meeting on the first Tuesday of each month at the place selected as the office of the board, provided that the board may, by resolution duly entered upon its minutes, fix any other time as the time for its regular monthly meeting, but no change in the time of holding regular meetings of the board shall be made until after the resolution proposing such change has been published once a week for two successive weeks in a newspaper published in the county in which the office of the district is kept. Such special meetings of the board of directors may be held as may be required for the proper transaction of the business of the district, but a special meeting must be ordered by a majority of the board. The order must be entered of record, and five days notice thereof must be given to each director not joining in the order. The order must specify the business to be transacted, and no other business than that specified in the order may be transacted at such special meeting, unless all the members are present and consent to the consideration of any business not specified in said order. All meetings of the board must be public and three members shall constitute a quorum for the transaction of business; provided, however, that when the board consists of
- Salary and bond of secretary**
- Board meetings: Regular.**
- Special**
- Notice.**
- Quorum**



three members only, then in such case two shall constitute a quorum for the transaction of business, but on all questions requiring a vote, except a motion to adjourn or a motion to adjourn to a stated time, there shall be a concurrence of at least the number constituting a quorum. A smaller number of directors than a quorum may adjourn from day to day. All records of the board shall be open to public inspection during business hours.

Inspection  
of records.

SEC. 20. The board of directors at their regular monthly meeting in January of each year shall render and immediately thereafter cause to be published a verified statement of the financial condition of the district, showing particularly the receipts and disbursements of the last preceding year, together with the source of such receipts and purpose of such disbursements. Said publication shall be made at least once a week for two weeks, in some newspaper published in the county where the office of the board of directors of such district is situated.

Financial  
statements  
Publication

SEC. 21. The board of directors of the district shall have the power and it shall be their duty to manage and conduct the business and affairs of the district; make and execute all necessary contracts; employ such agents, officers, and employees as may be required, prescribe their duties, and fix their compensation. The board and its agents and employees shall have the right to enter upon any land and make surveys, and may locate the necessary soil conservation works on any lands that may be deemed best for such location. Said board shall also have the right to acquire, by purchase, lease, contract, or condemnation, or other legal means, all lands and other property necessary for carrying out the plans and works of the district. The board is hereby authorized and empowered to take conveyances, leases, contracts or other assurances for all property acquired by it under the provisions of this act, in the name of such soil conservation district, to and for the uses and purposes herein expressed, and to institute and maintain any and all actions and proceedings, suits at law or in equity necessary or proper in order to fully carry out the provisions of this act, or to enforce, maintain, protect or preserve any and all rights, privileges and immunities created by this act, or acquired in pursuance thereof. And in all courts, actions, suits or proceedings, the said board may sue, appear and defend in person or by attorneys, in the name of such soil conservation district.

Powers and  
duties.

SEC. 22. In addition to the powers enumerated in section 21 hereof the board of directors shall have power:

Same

(1) To cooperate and enter into contracts or agreements with the State, the United States, any county, any other soil conservation or other public district in California, any individual or corporation, or the State Soil Conservation Committee, in furtherance of the provisions of this act, and to that end may accept and use contributions of money, sup-

plies, materials, or equipment useful for accomplishing the purposes of this act.

(2) To make improvements or conduct operations on public lands, with the cooperation of the agency administering and having jurisdiction thereof, and on private lands, with the consent of the owners thereof, in furtherance of the prevention or control of soil erosion, including but not limited to terraces, ditches, levees, and dams or other structures, and the planting of trees, shrubs, grasses, or other vegetation.

(3) To operate and maintain, independently or in cooperation with the United States or the State or any State agency or political subdivision or individual or corporation, any and all works constructed by the district.

(4) To disseminate information relating to soil conservation.

(5) To conduct demonstrational projects within the district on public or private land, independently or in cooperation with the United States, the State or any political subdivision or public district thereof, or any individual or corporation.

(6) To give assistance to private landowners in seeds, plants, materials, or equipment, and to loan to such private landowners agricultural machinery and other equipment owned by the district.

(7) To develop comprehensive plans for prevention or control of soil erosion within the district.

(8) To take over, by purchase, lease, or otherwise, and to administer, any soil-conservation, erosion-control, or erosion-prevention project located within its boundaries undertaken by the United States or any of its agencies, or by this State or any of its agencies; to manage, as agent of the United States or any of its agencies, or of this State or any of its agencies, any soil-conservation, erosion-control, or erosion-prevention project within its boundaries; to act as agent for the United States, or any of its agencies, or for this State or any of its agencies, in connection with the acquisition, construction, operation, or administration of any soil-conservation, erosion-control, or erosion-prevention project within its boundaries.

(9) To establish standards of cropping and tillage operations and range practices on private land as a condition to expenditure by the district of district or other funds, or as to the doing by the district of any work of any nature, on private lands.

(10) Such other powers as may be necessary to carry out the purposes of this act and to comply with the procedure outlined in such act.

Condemnation.

SEC. 23. In case of condemnation proceedings, the board shall proceed in the name of the district, under the provisions of Title VII, Part III, of the Code of Civil Procedure of this State, which said provisions are hereby made applicable for that purpose, and it is hereby declared that the use of the property which may be condemned, taken or appropriated under the provisions of this act, is a public use, subject to

regulation and control of the State in the manner prescribed by law.

SEC. 24. An election, which shall be known as the general soil conservation district election, shall be held in each soil conservation district on the first Tuesday in February in each odd-numbered year, at which a successor shall be chosen for each director whose term of office will expire in March next thereafter. The person or persons to the number necessary to fill the expiring terms receiving the highest number of votes for director shall be elected thereto. The term of office of each director shall be four years, except as provided in section 18 hereof, but the expiration of the term of office of any director shall not create a vacancy in his office, but he shall hold office until his successor shall have qualified.

Election of directors

Terms

SEC. 25. Within twenty days after receiving their certificates of election hereinafter provided for, said directors shall take and subscribe the official oath, and file the same in the office of the board of directors, and execute the bond hereinafter provided for. Each member of said board of directors shall execute an official bond in the sum of two thousand dollars, which said bonds shall be approved by the judge of the superior court of county in which such organization was effected, and shall be recorded in the office of the county recorder thereof, and filed with the secretary of said board. All official bonds herein provided for shall be in the form prescribed by law for the official bonds of county officers and the premiums thereon may be paid by the district.

Oaths and bonds

SEC. 26. At noon of the first Tuesday in March next following their election, except as provided in section 18 of this act, the directors who shall have been elected at the preceding general district election shall enter upon their duties. On such day the directors shall meet and organize as a board, elect a president and appoint a secretary, who shall each hold office during the pleasure of the board.

Organization.

SEC. 27. Twenty days before any election held under this act, subsequent to the organization of any district, the secretary of the board of directors shall cause notices to be posted in three public places in each election precinct, of the time and place of holding the election, and shall also post a general notice of the same in the office of said board, specifying the polling places of each precinct. Prior to the time for posting the notices, the board must appoint for each precinct, from the electors thereof, one inspector, two judges and two clerks, or at their option one inspector, one judge and one clerk, who shall in either case constitute a board of election for such precinct. If the board fail to appoint a board of election, or the members appointed do not attend at the opening of the polls on the morning of election, the electors of the precinct present at that hour, may appoint the board, or supply the place of an absent member thereof. The board of directors, must, in its order appointing the board of election, designate the house or place within the precinct where the election is to be held.

Elections subsequent to organization election Posting notice.

Election boards.

Chairman of  
election  
board, etc.

SEC. 28. The inspector is chairman of the election board and may administer all oaths required in the progress of an election; and appoint judges and clerks, if, during the progress of the election, any judge or clerk cease to act. Any member of the board of election may administer and certify oaths required to be administered during the progress of an election. Before opening the polls, each member of the board must take and subscribe an oath to faithfully perform the duties imposed upon them by law. Any electors of the precinct may administer and certify such oath. The polls must be opened at six a. m. on the morning of the election, and be kept open until seven p. m., when the same must be closed; provided, however, the board of directors may in the notice of election as provided in section 27 of this act provide that the polls shall be open from eight a. m. to four p. m., at which times the polls shall be opened and closed respectively.

Opening and  
closing of  
polls.

Ballots

SEC. 29. The ballot used at the election shall be provided by the board of directors, and one of the clerks of election shall deliver, to each of the electors, one of the ballots as provided. The ballots shall have printed on them the names of all candidates for director whose names have been filed as provided in this act, with a voting square after each name. The names shall be arranged alphabetically. When more than one person is to be elected for an office of the same title, the words "Vote for----- (inserting the proper number)" shall be printed under the title of the office. Each elector shall stamp a cross, with a rubber stamp to be provided by the board of directors, in the square after the name of each candidate he wishes to vote for.

Petitions  
proposing  
candidates

SEC. 30. Not less than ten days before the election, any five or more electors in the district may file with the board of directors a petition, requesting that certain persons, specified in such petition, be placed on the ballot as candidates for the office named in the petition. The names proposed by the various petitions so filed, and no others, shall be printed on the ballots, but there shall be sufficient blank spaces left in which electors may write other names if they so desire. The petitions shall be preserved in the office of the secretary of the district.

Conduct of  
election.

SEC. 31. Such election shall be conducted, the votes cast thereat shall be counted and tallied, and the returns thereof shall be made to the directors of the district, and may be contested, as nearly as practical in accordance with the provisions of the general election laws of the State. No list, tally paper, or certificate returned from any election, shall be set aside or rejected for want of form, if it can be satisfactorily understood. The board of directors must meet at its usual place of meeting on the first Monday after each election to canvass the returns. If, at the time of meeting, the returns from each precinct in the district in which the polls were opened have been received, the board of directors must then and there proceed to canvass the returns; but if all the returns have not

Canvass of  
returns.

been received, the canvass must be postponed from day to day until all the returns have been received. The canvass must be made in public and by opening the returns and determining the vote of the district for each person voted for, and declaring the result thereof.

SEC. 32. The secretary of the board of directors must, as soon as the result is declared, enter in the records of such board a statement of such result, which statement must show: (a) The whole number of votes cast in the district; (b) the names of the persons voted for; (c) the number of votes given in each precinct to each of such persons; (d) the total number of votes given for each candidate for the office of director. The board of directors must declare elected the persons having the highest number of votes to the number required to fill the offices of director about to expire. The secretary must immediately make out and deliver to such person a certificate of election, signed by him, and authenticated with the seal of the board. In case of a vacancy in the office of director, the vacancy shall be filled by appointment by the board of supervisors of the county where the office of such board of directors is situated. An appointment to fill a vacancy as above provided shall be for the unexpired term of the office in which the vacancy existed.

SEC. 33. The legal title to all property acquired by a district under the provisions of this act shall immediately and by operation of law vest in such district, and shall be held by such district in trust for and is hereby dedicated and set apart for the uses and purposes set forth in this act. The board of directors is hereby authorized and empowered to hold, use, acquire, manage, occupy and possess, lease or sell said property, as herein provided.

The board of directors may determine by resolution duly entered upon their minutes that any property, real or personal, held by such district is no longer necessary to be retained for the uses and purposes thereof, and may thereafter sell or lease such property; and a conveyance of any property held by a soil conservation district, executed by the president and secretary thereof, in accordance with a resolution of the board of directors of such district, when sold for a valuable consideration, shall convey good title to the property so conveyed.

SEC. 34. The board of directors must, on or before the fifteenth day of August of each year, furnish the board of supervisors and the auditor of the county wherein the district is situated, or if such district is not entirely within one county, then as hereinafter provided, to the supervisors and auditors of each county in which any portion of the district is situated, an estimate in writing of the amount of money needed for the purpose of the district for the ensuing fiscal year. This amount must be sufficient to raise a sum of money which shall be sufficient to pay the incidental expenses of the district and the costs of the work which the board of directors may deem advisable to be done during the ensuing year; the estimated

costs of repairs to and maintenance of any property or works of the district; the estimated amount necessary for the payment of the costs of any action or proceeding which may be taken by the district, including the cost of employment of attorneys and engineers; and also if said district shall have voted a special assessment as provided in section 41 hereof, the board shall include in said estimate the amount of the installment of said special assessment to be levied each year; provided, however, that if at the time of making said estimates herein referred to the district shall not have voted a special assessment as provided for in section 41 hereof, then the assessment levied during any year for the raising of said funds shall not exceed two cents on each one hundred dollars of the assessed valuation of the lands within the district, according to the last equalized county assessment roll, provided that the total amount that may be raised by such assessment shall not exceed in the aggregate, for the entire district, half as many dollars as there are acres in the district.

Division of estimate when district in more than one county

SEC. 35. When a district is in more than one county the total estimate as provided for in the preceding section shall be divided by the board of directors in proportion to the value of the land of the district in each county. This value must be determined from the equalized values of the last assessment rolls of such counties. When such division of the estimate has been made, the board shall furnish the supervisors and auditors of the respective counties a written statement of the part of the estimate apportioned to that county.

Levy of assessment

SEC. 36. The board of supervisors of each county wherein is situated a district, or any part thereof, organized under the provisions of this act, must, annually, at the time of levying county taxes, levy an assessment to be known as the "----- (name of district) soil conservation district assessment," sufficient to raise the amount reported to them as herein provided by the board of directors. The supervisors must determine the rate of such assessment by deducting fifteen per cent for anticipated delinquencies from the total assessed value of the land in the district within the county, as it appears on the assessment roll of the county, and then dividing the sum reported by the board of directors, as required to be raised, by the remainder of such total assessed value; provided, that if a fraction of a cent occur on a valuation of one hundred dollars, it shall be taken as a full cent.

Entry on assessment roll and collection

SEC. 37. The assessment so levied shall be computed and entered on the assessment roll by the county auditor, and if the supervisors fail to levy the assessment provided in the preceding section, then the auditor must do so. Such assessment shall be collected at the same time and in the same manner as State and county taxes, and when collected shall be paid into the county treasury for the use of said district.

Manner of levying and collecting assessments

SEC. 38. The provisions of the Political Code of this State, prescribing the manner of levying and collecting assessments and the duties of the several county officers with respect

thereto, are, so far as they are applicable and not in conflict with the specific provisions of this act, hereby adopted and made a part hereof. Said officers shall be liable upon their several official bonds for the faithful discharge of the duties imposed upon them by this act.

SEC. 39. If the district is in more than one county, the treasury of the county where the district was organized shall be the repository of all the funds of the district. For this purpose, the treasurers of any other counties wherein is situated a portion of said district, must, at any time, not oftener than twice a year, upon the order of the board of directors, settle with said board and pay over to the treasurer of the county where the district was organized all moneys in their possession belonging to the district. Said last named treasurer is authorized and required to receive and receipt for the same, and to place the same to the credit of the district. He shall be responsible upon his official bond for the safe-keeping and disbursement, in the manner herein provided, of these and all moneys of the district held by him.

Deposit of funds when district in more than one county.

SEC. 40. The treasurer shall pay out the moneys of the district only upon warrants of the county auditor, drawn upon order of the board of directors signed by the president and attested by the secretary. The treasurer shall report in writing at each regular meeting of the board of directors and as often thereafter as requested by the board the amount of money on hand, the amount of receipts since his last report, and the amounts paid out; such reports shall be verified and filed with the secretary of the board.

Disbursements

Reports

SEC. 41. The board of directors may at any time call an election and submit to the qualified electors of the district the question whether a special assessment shall be levied for the purpose of raising money to be applied to any of the purposes of this act or of any act supplementary hereto. Such election must be called upon the notice prescribed, and the same shall be held and the result thereof determined and declared in all respects in conformity with the provisions of section 24 of this act. The notice must specify the amount of money proposed to be raised, and the purpose or purposes for which it is intended to be used, and it may state that said assessment shall be levied in two, three or four annual installments and specify the amount of the installment to be levied in each year. At the election the ballots shall contain the words "Assessment—Yes" or "Assessment—No," or words equivalent thereto. If a majority of the votes cast are "Assessment—Yes," the board of directors shall at the time of the annual estimate under section 36 hereof, include in said estimate the amount voted, or if the notice of election shall have provided for levying said assessment in annual installments, the board of directors shall, at the time of the annual estimate in each of the years specified in said notice include in said estimate the amount of the installment provided in said

Special assessments  
Election on question of levy.

Notice-Contents.

Ballots

Levy and collection	notice to be raised in said year. Said special assessment shall be levied as generally provided by sections 35, 36, 37 and 38 of this act and when collected shall be paid to the treasurer of the county in which the district was organized for the purpose or purposes specified in the notice or notices calling the respective elections at which they were voted.
Limitation on debts and liabilities	SEC. 42. The board of directors or other officers of the district shall have no power to incur any debt or liability whatever in excess of the express provisions of this act; and any debt or liability incurred in excess of such express provisions shall be and remain absolutely void.
Dissolution Petition	SEC. 43. Any district organized under the provisions of this act may be dissolved by the board of supervisors in the county in which it is organized in the manner following: Upon receiving a petition signed by the owners of at least sixty per cent (60%) of the lands comprising the district, requesting the dissolution of the district, the board of supervisors shall
Publication of notice.	publish a notice once a week for two weeks in some newspaper in the county in which the district was organized, and also in each county in which any part of the district lies, giving notice that such petition has been filed with said board of supervisors, and that the board will hear said petition, and all objections thereto, at the next regular meeting of said board after the expiration of the time of publishing said notice (specifying the date), and directing all persons interested therein to show cause at such time, if any they have, why such district should not be dissolved. The board of directors shall
Notice to State Soil Conservation Committee	also cause a notice of the receipt of the petition for dissolution to be forwarded to the State Soil Conservation Committee, together with a copy of the notice of the hearing thereon, and the State Soil Conservation Committee shall advise the board as to the judgment of the said committee regarding the proposed dissolution. At the time appointed for such hearing, or at any time to which the same may be adjourned, the board of supervisors shall hear and pass upon said petition, and may grant or deny the same, and, if its decision shall be against the dissolution of the district, such decision shall be final and conclusive.
Hearing.	
Special election. Resolution	If such petition be granted, the board of supervisors shall, by resolution, provide for and order the holding of a special election in such district, and shall submit to the qualified electors of the district the proposition whether or not the district shall be dissolved. The resolution shall recite the filing of the petition for dissolution, and the approval of the same by the board of supervisors, and fix a time for the holding of such election. Such election shall be noticed, conducted, and the returns thereof made and canvassed, in the same manner as is provided in this act for the election upon the question whether or not the district should be organized, excepting that the ballots to be used at said election shall contain the words, "Dissolution of district—Yes" or "Dissolution of district—No," or words equivalent thereto. If votes representing sixty
Notice, conduct, etc	
Ballots	
Order of dissolution.	



per cent of the total number of votes cast are cast in favor of the dissolution of such district, then the board of supervisors shall enter an order to that effect upon its minutes, declaring such district dissolved, and upon the entry of such order said district shall be dissolved; provided, however, if there shall be any outstanding indebtedness of such district, at the time of the dissolution thereof, the board of supervisors shall levy assessments for the payment of such indebtedness in like manner as though such district had not been dissolved, until all such indebtedness shall be fully paid, and shall cause such obligations to be paid according to their tenor out of the moneys raised from such assessments.

Outstanding  
debts.

Upon the dissolution of any such district, any and all real property belonging to the district shall become and be the property of the county in which the same is situate; and the personal property belonging to the district shall be sold by the board of supervisors of the county in which the district was organized, and the proceeds from such sale, together with all moneys of the district, remaining after the payment of all of the obligations of the district, shall be paid into the general funds of the counties in which any part of the district lies in the same proportions that the assessed values of the lands (according to the last assessment rolls) within the district in each of said counties bear one to the other.

Disposition  
of property

SEC. 44. This act shall be liberally construed to carry out the purposes and intent hereof.

Construc-  
tion.

SEC. 45. In case any section or sections, or a part of any section, of this act shall be found to be unconstitutional, the remainder of the act shall not be invalidated thereby, but shall remain in full force and effect.

Constitu-  
tionality.

## CHAPTER 8.

*An act appropriating to the counties of the State aid in addition to the aid otherwise provided, for maintaining and supporting aged persons under the provisions of the Old Age Security Law, and providing for the payment thereof to the counties.*

Stats 1937,  
p. 1078.

[Approved by the Governor March 29, 1938. Filed with Secretary of State March 30, 1938. In effect June 11, 1938.]

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

SECTION 1. As used in this act, "county" includes city and county, and "department" means the State Department of Social Welfare.

"County"  
and "depart-  
ment"  
defined

SEC. 2. There is hereby appropriated to the department out of any moneys in the State treasury not otherwise appropriated, the sum of six million dollars, to be expended during the ninetieth fiscal year as aid to the counties of the State for

Appropri-  
ation.  
Department  
of Social  
Welfare.

maintaining and supporting aged persons under the provisions of the Old Age Security Law (Chapter 1 of Division III of the Welfare and Institutions Code).

Stats 1937,  
p. 1078.

Allocation  
to counties

SEC. 3. At the beginning of each month the department shall allocate the sum of \$500,000 to the several counties of the State proportionately, in the manner provided in this section. The department shall allocate to each county a sum which shall bear such proportion to the sum of \$500,000 as the amount expended by that county for aid to the aged during the second month preceding the month for which the allocation is made bears to the total amount expended by all the counties for aid to the aged during said second month preceding the month for which the allocation is made. The department shall determine the amounts expended by each county and by all the counties, from the reports submitted by the counties under the provisions of section 2189 of the Welfare and Institutions Code.

Stats 1937,  
p. 1091.

Payments to  
counties.

SEC. 4 The department shall then certify to the State Controller the amount so allocated by the department to each county, and the State Controller shall thereupon draw his warrants in favor of the respective counties in the amounts allocated, respectively, and the State Treasurer shall pay the same to the treasurers of the respective counties.

Nature of  
payments.

SEC. 5. The sum hereby appropriated shall be paid to the counties in addition to any sums appropriated or paid to the counties under the provisions of the Old Age Security Law (Chapter 1 of Division III of the Welfare and Institutions Code).

Expenditures  
by counties

SEC. 6 The sums paid to the counties under the provisions of this act shall be expended by the counties for aid to the aged in accordance with the provisions of the Old Age Security Law (Chapter 1 of Division III of the Welfare and Institutions Code).

## CHAPTER 9.

*An act to amend section 1143 of the Penal Code, relating to the fees of jurors, declaring the urgency hereof and providing that this act shall take effect immediately.*

[Approved by the Governor March 29, 1938 Filed with Secretary of State March 30, 1938. In effect immediately.]

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

Stats. 1923,  
p. 490.

Juror's fees

SECTION 1. Section 1143 of the Penal Code is hereby amended to read as follows:

1143. Jurors' fees. Payment of same. The fees of jurors in the superior and municipal courts of the State, in criminal cases, shall be three dollars, in lawful money of the United States, for each day's attendance, and mileage, to be computed at the rate of fifteen cents per mile for each mile necessarily traveled in attending court, in going only. Such fees and mileage shall be paid by the treasurer of the county,

Payment

or city and county, in which the juror's services were rendered, out of the general fund of said county, or city and county, upon warrants drawn by the county auditor upon the written order of the judge of the court in which said juror was in attendance, and the treasurer of said county, or city and county, shall pay said warrants. The board of supervisors of each county, or city and county, is hereby directed to make suitable appropriation for the payment of the fees herein provided for.

All acts and parts of acts in conflict herewith are repealed so far as the same conflict with this section. Repeal

SEC. 2 This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1, Article IV of the Constitution of the State of California and shall take effect immediately. Urgency

The facts constituting such necessity are as follows:

For some time attorneys and judges have assumed that persons serving on juries in criminal cases triable in municipal courts were entitled to the same fees for their services as persons serving on juries in criminal cases triable in the superior courts. The result of current inquiries indicate that such may not be the case. This uncertainty in the law has caused great confusion in the minds of judges and county fiscal officers who are charged with the responsibility of auditing and paying claims for jury duty. The public peace and safety require that this uncertainty and confusion be immediately determined and resolved, and for that purpose it is essential that this act be immediately effective.

## CHAPTER 10.

*An act making an appropriation for the relief of hardship and destitution due to and caused by unemployment.*

[Approved by the Governor March 29, 1938. Filed with Secretary of State March 30, 1938. In effect immediately.]

WHEREAS, The appropriation heretofore made for unemployment relief was based upon anticipated expenditures therefor at the rate of approximately \$2,000,000 a month; and Unemployment relief requirements.

WHEREAS, During the current fiscal year the expenditures for unemployment relief have exceeded the estimated rate in the total sum of \$4,000,000; and

WHEREAS, Present estimates indicate that the rate of expenditure for relief by the State for the remainder of the biennium will not diminish, but may be increased, particularly in view of increased unemployment and destitution caused by severe storms and floods in several parts of the State; and

WHEREAS, It is necessary to replenish available funds to the extent of the existing deficiency in order that the anticipated rate of monthly expenditure may be continued, and to provide

additional funds to meet probable requirements in excess thereof; and

WHEREAS, In addition to the foregoing, it appears feasible and desirable to make approximately \$400,000 available for materials and supplies for WPA sewing projects, which may otherwise be discontinued unless such money is available; and

WHEREAS, It likewise appears feasible and desirable to make approximately \$500,000 available to aid self-help unemployment cooperatives and associations; now, therefore

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

Appropriation:  
Unemployment relief.

Stats 1935,  
p 1851.

Provisions  
applicable

SECTION 1. In addition to any other appropriation provided by law, the sum of four million nine hundred thousand dollars, or so much thereof as may be necessary, is hereby appropriated out of any money in the State treasury, not otherwise appropriated, for the relief of hardship and destitution due to and caused by unemployment, as provided by the California Unemployment Relief Act of 1935, for expenditure during the eighty-ninth and ninetieth fiscal years.

SEC. 2. The expenditures herein authorized of the moneys appropriated by this act shall be subject to all of the provisions of Chapter 157 of the Statutes of 1937.

## CHAPTER 11.

Stats 1937,  
p 442

*An act making an appropriation to the emergency fund specified in Item 189 of section 1 of an act entitled "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 34 of Article IV of the Constitution of the State of California, approved and adopted by the people at the general election held November 7, 1922, declaring the urgency thereof, and providing that this act shall take effect immediately," approved May 4, 1937, for the purposes therein specified, declaring the urgency thereof and providing that this act shall take effect immediately.*

[Approved by the Governor March 29, 1938. Filed with Secretary of State March 30, 1938 In effect immediately.]

Emergency  
fund ex-  
penditures

WHEREAS, Only eight months of the biennial period ending June 30, 1939, have expired and it has already been necessary to authorize from the emergency fund originally provided for in Chapter 157 of the Statutes of 1937, the following allotments: \$175,000 to close levee breaks along the Sacramento River due to extreme flood conditions: \$25,000 to correct the cause of flood conditions on Clear Lake to prevent further property damage: \$200,000 for fire suppression and fire prevention in the Division of Forestry, Department of Natural Resources, whereby destruction by fire in the forest

areas was reduced from 756,696 acres in 1936 to 71,312 acres in 1937, and monetary loss in timber was reduced from \$1,877,147 in 1936 to \$151,584 in 1937; \$200,000 for the State Personnel Board to meet the costs of examination, certification and maintenance of employment records of several thousand additional employees added to the State service principally within the Department of Employment and the Department of Social Welfare in connection with social security activities; and

WHEREAS, Severe storms and floods in several parts of the State have caused hardship and destitution and the destruction of property, levees, flood control works, city and county roads and bridges the repair of which necessitates that \$5,000,000 be made available for expenditure, in addition to other funds, to alleviate such conditions; and

WHEREAS, Approximately \$400,000 will be required to meet the proposed new salary scales now being considered by the State Personnel Board; and

WHEREAS, The remaining balance in said emergency fund is not a sufficient reserve to meet the unforeseen contingencies which precedent establishes will arise during the remaining sixteen months of the current biennium; now, therefore,

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

SECTION 1. Out of any moneys in the State treasury not otherwise appropriated the sum of six million dollars is hereby appropriated to the emergency fund specified in Item 189 of section 1 of the act cited in the title hereof, to be expended as provided in said Item 189 of section 1 during the eighty-ninth and ninetieth fiscal years.

Appropriation  
Emergency  
fund  
Stats 1937,  
p. 442.

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of public peace, health and safety within the meaning of section 1 of Article IV of the Constitution and shall therefore go into immediate effect. A statement of the facts constituting such necessity is as follows:

Urgency

Unprecedented floods, resulting in loss of life and damage to property, coupled with increasing destitution due to and caused by unemployment, have augmented demands upon agencies of the State, which can not be met from existing appropriations, and therefore appropriation of additional moneys for the effective operations of such agencies is imperative.

## CHAPTER 12.

*An act to amend sections 8, 9, 10, 12, 33, 33a, 39, 42, 49, 78, 83, 85a and 86 of, and to add sections 3a, 75a, and 83b to, an act entitled "An act to provide for the creation, establishment, and adjustment with other such systems, of a*

Stats 1931,  
p 1442,  
amended

*retirement system for employees of the State of California, and make an appropriation therefor," approved June 9, 1931, relating to the State Employees' Retirement System and to retirement of employees of the University of California.*

[Approved by the Governor March 30, 1938. Filed with Secretary of State March 30, 1938. In effect June 11, 1938.]

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

- New section SECTION 1. Section 3a is hereby added to the act cited in the title hereof to read as follows:
- "University" defined Sec. 3a. "University" shall mean the University of California and shall also mean the Regents of the University of California as defined and authorized by section 9, Article IX, of the Constitution of the State of California;
- Stats 1935, p 783 SEC. 2. Section 8 of said act is hereby amended to read as follows:
- "State service" defined. Sec. 8. "State service" shall mean service rendered as an employee or officer employed, appointed or elected, of the State or the university for compensation, and, for the purposes of this act, a member shall be considered as being in the "State service" only while he is receiving compensation from the State or the university for such service, except as provided in section 47 hereof;
- Stats 1933, p 1239. SEC. 3. Section 9 of said act is hereby amended to read as follows:
- "Prior service" defined. Sec. 9. "Prior service" shall mean all State service, other than service as an employee of the university, rendered before the first day of January, 1932, and all State service rendered as an employee of the university before the 27th day of August, 1937, and allowable as provided in section 49 of this act;
- Stats 1935, p 784. SEC. 4. Section 10 of said act is hereby amended to read as follows:
- "Continuous service" defined. Sec. 10. "Continuous service" as applied to "prior service" shall mean all prior service, regardless of interruptions in such service, and as applied to service as a member shall mean uninterrupted employment in State service, except as provided by section 47 hereof, and, except that when for any cause whatever, a member discontinues State service but subsequently reenters such service within three years from the date of the discontinuance, such interruption shall not be deemed to break the continuity of service;
- Stats 1931, p 1443. SEC. 5. Section 12 of said act is hereby amended to read as follows:
- "Compensation" defined. Sec. 12. "Compensation" shall mean the remuneration paid in cash out of funds controlled by the State or the university, plus the monetary value, as determined by the board of administration, of living quarters, board, lodging, fuel, laundry and other advantages of any nature furnished by the State or the university to a member in payment for his services;

SEC. 6. Section 33 of said act is hereby amended to read as follows: Stats 1931,  
p 1444

Sec. 33. Independent contractors who are not employees; Independent  
contractors

SEC. 7. Section 38a of said act is hereby amended to read as follows: Stats 1933,  
p. 1240.

Sec. 38a. All State or university employees coming within the meaning of this act, who are or who shall become, beneficiaries under, or participants in, the pension system or the retiring annuities system of the university, and employees or appointees of the university having such academic rank that they would participate in the retiring annuities system of the university except for special conditions of their employment or appointment which prevent such participation. University  
employees.

SEC. 8. Section 39 of said act is hereby amended to read as follows: Stats 1931,  
p 1445.

Sec. 39. It shall be the duty of the head of each office or department of the State, other than the university, to give immediate notice in writing to the board of administration of the change in status of any member in his office or department resulting from transfer, promotion, leave of absence, resignation, reinstatement, dismissal or death. The head of each such office or department shall furnish such other information concerning any member as the board may require. The comptroller of the university, or such other official as the university may designate, shall furnish monthly reports to the board of administration showing changes in the status of any and all members employed by the university during the preceding month, and shall furnish such additional information concerning any or all such members as the board may require in the administration of the retirement system. Notice of  
changes in  
personnel

SEC. 9. Section 42 of said act is hereby amended to read as follows: Stats 1935,  
p. 784.

Sec. 42. A board of administration of said retirement system is hereby created, consisting of one member of the State Personnel Board other than the Director of Finance, to be selected by and to serve at the pleasure of the State Personnel Board, the Director of Finance, the comptroller of the university or such other official as the university may designate, three members elected, under the supervision of the board of administration, from the active members of the retirement system, which shall not include retired members, an official of a life insurance company and an officer of a bank who shall be appointed by the Governor within thirty days of the taking effect of this act. In the election of the three members from the active members of the system, the ballots cast shall be delivered to and canvassed by the Secretary of State. The term of office of the five members, other than ex officio members, shall be four years expiring on January fifteenth, and the present terms of said five members, regardless of whether said terms be filled, shall be unchanged by this section. Vacancies shall be filled by appointment by the Governor, from the class in which the vacancy occurs and Board of  
administra-  
tion.  
  
Terms

for the unexpired term or until the election, prior to the expiration of the term, of an active member of the retirement system to fill the vacancy, if it shall have occurred in that class.

Stats 1933,  
p. 1241.

SEC. 10. Section 49 of said act is hereby amended to read as follows:

Credit for  
prior service

Sec. 49. Credit for prior service shall be granted to each person other than persons who are employees of the university at the time of becoming members of the retirement system, who has rendered such service as defined in this act, and who has become a member of the retirement system on January 1, 1932 or within three years after last rendering prior service, the prior service credited, however, to be one-half year less than the total prior service rendered by him. Credit for prior service shall be granted to each person who is employed by the university at the time of becoming a member of the retirement system regardless of whether he has been retired under the system prior to the effective date hereof, who has rendered such service as defined in this act and who has become a member of the retirement system on August 27, 1937, or within three years after last rendering prior service, the prior service credited, however, to be one-half year less than the total prior service rendered by him. Prior service so credited shall be the basis for a retirement allowance or benefit as provided in this act only if the membership in the retirement system continues unbroken until retirement on retirement allowance or until the granting of such other benefit, provided that termination of membership by withdrawal of accumulated contributions followed by the redeposit of such contributions upon reentrance into State service as herein provided shall not constitute a break in membership, but this section shall not be construed to entitle any person to credit as prior service for time during which he was not in State service as defined in this act.

New section.

SEC. 11. Section 75a is hereby added to said act to read as follows:

Termination  
of member-  
ship when  
eligible for  
university's  
retiring  
annuities  
system  
Transfer of  
funds.

Sec. 75a. Should a member become eligible to participate in the retiring annuities system of the university in accordance with the regulations established by the university governing the operation of said system, the membership of such person in the retirement system created by section 25 of this act shall terminate forthwith. Upon the request of the university the board of administration shall certify to a transfer of funds from the "State employees' retirement fund" to the retiring annuities system of the university and the State Controller shall make such transfer which shall consist of:

(1) The accumulated contributions of such member based on State service which will be credited under said retiring annuities system;

(2) The actuarial equivalent, at the attained age of such member, of the pension which would normally be provided at



age sixty-five under section 82 of this act on account of State service which will be credited under said retiring annuities system ;

The sums so transferred in accordance with the next preceding clauses (1) and (2) shall become available for the benefit of such member, after he becomes a beneficiary of the retiring annuities system of the university, in accordance with the regulations of said retiring annuities system.

In the absence of such request by the university, as provided in this section, or in the event that part of the accumulated contributions of said member is not transferred, said member, solely for the purposes of section 75 of this act, and with respect to all of said accumulated contributions not transferred, shall be considered as permanently separated from State service.

Status when funds not transferred

Sec. 12. Section 78 of said act is hereby amended to read as follows:

Stats 1935, p 2280

Sec. 78. From and after January 1, 1933, until January 1, 1937, every member shall be retired on the first day of the calendar month next succeeding that in which he attains the age of seventy-five years. Every employee of the university who becomes a member, and who, at the time of becoming such member has attained the age of seventy years, shall be retired forthwith. On or after January 1, 1937, every member who is also a member of the California Highway Patrol, and who at that time has attained the age of sixty-five years shall be retired forthwith, and thereafter every such member must be retired on the first day of the calendar month next succeeding that in which he attains the age of sixty-five years. On and after January 1, 1937, every member other than one who is also a member of the California Highway Patrol, who at that time has attained the age of seventy years, shall be retired forthwith, and thereafter every such member other than one who is also a member of the California Highway Patrol must be retired on the first day of the calendar month next succeeding that in which he attains the age of seventy years

Retirement age.

Sec. 13. Section 83 of said act is hereby amended to read as follows:

Stats 1935, p. 2281.

Sec. 83. An additional pension, purchased by the contributions of the State, for members other than members of the California Highway Patrol and persons who are employees of the university, at the time of becoming members. Such additional pension shall be equal to one-seventieth of the average annual compensation earnable by him during the three years ending December 31, 1931, multiplied by the number of years of prior service credited to him, except that if a member retires before attaining the age of sixty-five years, the additional pension shall be reduced to that amount which the value of the pension computed as provided in this paragraph as deferred to age sixty-five, will purchase at the actual age of retirement.

Additional pension Other than for Highway Patrol and university employees

New section      SEC. 14. Section 83b is hereby added to said act to read as follows:

Additional pension: University employees      Sec. 83b. An additional pension, purchased by contributions of the State, for members who are also employees of the university at the time of becoming members, said additional pension to accrue from the date of retirement under the system regardless of whether said retirement was prior to the effective date hereof. Such additional pension shall be equal to one-seventieth of the average annual compensation earnable by him during the three years ending December 31, 1931, multiplied by the number of years of prior service credited to him, except that if a member retires before attaining the age of sixty-five years, the additional pension shall be reduced to that amount which the value of the pension computed as provided in this paragraph as deferred to age sixty-five, will purchase at the actual age of retirement. If, however, a member who is employed by the university at the time of becoming a member, shall not have rendered State service before January 1, 1932, his additional pension shall be based upon one-seventieth of the average annual compensation earnable by him during the first year of State service or such portion thereof as he may have served before August 27th, 1937, multiplied by the number of years of prior service credited to him.

Stats 1935, p 2281.      SEC. 15. Section 85a of said act is hereby amended to read as follows:

Physical examination      Sec. 85a. Subject to the requirements as to service and cause of disability stated in section 85 and upon the application of a member or upon the application of the head of the office or department in which such member is or was last employed, or upon application of the university if such member is an employee of the university, or any other person on behalf of such member, while such member is in State service, within four months after such member's discontinuance of State service, or while such member continuously, from the date of discontinuance of State service to the time of the application or motion, is physically or mentally incapacitated to perform his duties, may apply for, or the board upon its own motion may order, a medical examination to determine the existence of such incapacity. Upon the receipt of such application, the board shall order such medical examination. If the medical examination shows to the satisfaction of the board, that the member is permanently incapacitated physically or mentally for the performance of his duties in the State service, the board shall forthwith retire the member for disability. The board shall secure such medical service and advice as is necessary to carry out the purpose of this section and of sections 90 to 94, inclusive, of this act, and shall pay for such medical services and advice such compensation as the board deems reasonable.

Medical assistance.

SEC. 16. Section 86 of said act is hereby amended to read Stats 1935,  
p. 2282.  
as follows:

Sec 86. Upon retirement for disability a member who is not a member of the California Highway Patrol nor an employee of the university, and who has attained the age of sixty years, shall receive a service retirement allowance as provided in sections 81 to 83, inclusive, of this act. Upon retirement of a member, who is also a member of the said highway patrol, for disability resulting from injury or disease arising out of and in the course of employment, such member shall receive a retirement allowance of fifty per centum of his final compensation or, if he qualified as to age and service for service retirement under section 79, then such member shall receive a service retirement allowance as provided in sections 81, 82, and 83a of this act. Upon retirement for disability a member who is an employee of the university and who has attained the age of sixty years shall receive a service retirement allowance as provided in sections 81, 82, and 83b of this act. The allowance for a member who is also a member of the California Highway Patrol shall be provided by the contributions of the member and of the State in the same manner but not in the same amounts as is set forth in sections 87 and 88 for other disability retirement. Every member retired for disability other than one who has attained the age of sixty years or who is a member of the California Highway Patrol, shall receive a retirement allowance which shall consist of: Retirement  
allowance

### CHAPTER 13.

*An act to amend sections 1, 2, 12, 17 and 20 of an act entitled "An act to provide for the refunding of the bonded indebtedness of special improvement districts, the bonds of which are payable from taxes or from special assessments levied wholly or partly in accordance with the assessed value of lands and for the issue and sale or exchange of refunding bonds and the retirement of unpaid bonds of such districts and the cancellation of unpaid taxes and assessments of such districts, and for the levy of assessments and reassessments to pay such refunding bonds and to enforce the liens of such assessments and reassessments, and to provide for contributions of public funds to assist in such refunding or the payment of refunding bonds, and for proceedings to test the validity of such refunding and assessment or reassessment proceedings and the use of the bankrupt laws of the United States of America in any refunding," approved July 20, 1935, as amended, and validating refunding proceedings heretofore taken under said act, refunding assessments heretofore levied and refunding bonds heretofore* Stats 1935,  
p 2023,  
amended.

*issued under said act, and declaring the urgency of this act to take effect immediately.*

[Approved by the Governor March 30, 1938 Filed with Secretary of State March 30, 1938. In effect immediately.]

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

Stats 1937,  
p. 1675.

Refunding  
bonds  
authorized

Interest  
rate

Contracts

Contribu-  
tions.

Amount of  
reassess-  
ments

SECTION 1. Section 1 of the act designated in the title hereof is hereby amended to read as follows:

Section 1. Any bonded indebtedness consisting of outstanding unpaid bonds and outstanding unpaid interest coupons of bonds issued by or for any special improvement district the bonds of which are payable from special taxes or special assessments levied wholly or partly in accordance with the assessed value of lands may be funded or refunded under and pursuant to the provisions of this act. At least two of the interest coupons on the refunding bonds must be at a rate of interest less than the interest rate on the bonds to be refunded, and the rate of interest on the refunding bonds shall not exceed the rate of interest on the bonds to be refunded. The legislative body of the city or county or city and county which conducts the refunding proceeding may negotiate and contract with the holders of bonds for such refunding and to aid in such refunding may appropriate moneys from the general fund or from any available fund of the city or county or city and county. Also, any county in which the district lies, whether the district be entirely or partly within a city or cities, or entirely or partially within unincorporated territory of the county, is hereby authorized to appropriate moneys from its general fund, road fund or any available fund to assist in such refunding. Any city in which the district or any portion thereof lies is also authorized to appropriate moneys from any available fund to assist in such refunding. Such appropriations or contributions may be made at any time during the course of the refunding proceedings. To assist in refunding the indebtedness of any district the county in which the district lies and any city in which any portion of a district lies are hereby authorized to contribute moneys to be received from the collection of delinquent county or city taxes, as the case may be, upon property within the district. In refunding such indebtedness under this act, the total amount of the reassessments to be levied under this act plus contributions, if any, of public moneys to aid in such refunding except contributions for the payment of interest maturing or accruing subsequent to the date the resolution of intention in the refunding proceeding is adopted and moneys used for the payment of incidental expenses of the refunding proceeding, shall be less than the total amount of the outstanding unpaid bonds and the outstanding due and unpaid interest coupons which are to be refunded.

The legislative body making any contribution of public funds to aid or assist in the refunding must determine that

the public interest, convenience or necessity requires such contribution.

SEC. 2. Section 2 of said act is hereby amended to read as follows: Stats 1937,  
p 1676

Sec. 2. Whenever the legislative body of any city or county or city and county of this State determines by resolution that the public interest, convenience or necessity require the refunding of the indebtedness of any special improvement district which it is given jurisdiction to refund under the provisions of this act, said legislative body shall by resolution declare its intention to refund such indebtedness and shall determine the total maximum principal amount for which an assessment shall be levied in the refunding proceedings and shall determine the term of any refunding bonds to be issued to represent unpaid assessments as herein provided and the rate of interest of such bonds. The rate of interest during the entire term of such bonds need not be the same but different rates may be stated for one or more interest payments of such bonds. If such different rates of interest are proposed, each rate and the time during which such rate shall be paid shall be designated in such resolution. The amount of any proposed contribution of public funds to be made to assist in such refunding, except contributions for the payment of interest maturing or accruing subsequent to the date the resolution of intention is adopted and money used for the payment of incidental expenses of the refunding proceeding, shall be stated in such resolution, but this shall not prevent said legislative body making additional contributions thereto at any time. In said resolution said legislative body shall state the total amount of the outstanding indebtedness to be refunded (which shall be deemed to be the principal amount of outstanding unpaid bonds and the amount of due and unpaid interest coupons), and shall state the amount of the principal of bonds included therein, and the amount of due and unpaid interest coupons included therein, all as of the date said resolution is adopted. No error or mistake in the computation of the amount of unpaid principal or unpaid interest shall affect the validity of the refunding proceedings, and no error or mistake in any statement of the amount of such principal or interest in any notice, resolution or order in the course of the proceedings shall invalidate in any way the assessment or the refunding bonds or the refunding proceedings; provided, that the total sum of the assessment levied in the refunding proceedings, plus any contribution or contributions of public funds made to aid in such refunding, except contributions for the payment of interest maturing or accruing subsequent to the date the resolution of intention is adopted and moneys used for the payment of incidental expenses of the refunding proceedings, shall not exceed the sum of the principal amount of the bonds to be refunded and the amount of the due and unpaid interest coupons to be refunded. If interest maturing or accruing subsequent to the date the resolution of intention is

Resolution  
Contents

adopted upon any bonds exchanged, paid or purchased in the refunding proceedings is to be paid, the resolution shall so state.

Said resolution shall also contain a date, hour and place for the hearing of objections to said refunding, and the date fixed for said hearing shall not be less than twenty (20) days nor more than sixty (60) days subsequent to the date of adoption of said resolution. Said resolution shall also contain a statement that the refunding shall not be authorized unless the written consent of the owners of a majority in area of the land in the district subject to tax or assessment to pay the principal and interest of the outstanding bonds is filed with the clerk of the legislative body, and that any owner of land in said district may file his written consent to such refunding at any time prior to the adoption of the resolution ordering the refunding.

Stats 1935,  
p. 2033

SEC. 3. Section 12 of said act is hereby amended to read as follows:

Recordation  
of assess-  
ment.

Sec. 12. If the refunding proceedings are conducted by the legislative body of a city, said assessment as confirmed shall be recorded with the superintendent of streets of said city. The assessment shall not be recorded until the holders of all outstanding bonds and coupons have contracted to exchange such bonds and coupons in the refunding proceeding, or if all holders of outstanding bonds and coupons do not so contract, the assessment shall not be recorded until adequate provision has been made as required in this act for the retirement or payment of the bonds and coupons of non-consenting holders. If the refunding proceedings are conducted by the legislative body of a county, said assessment as confirmed shall be recorded with the county surveyor of said county.

Lien.

When so recorded, the several amounts assessed upon the lots, pieces or parcels of land in said assessment shall be a lien thereon as of the date of such recordation. Such lien shall continue until said assessment and all interest and penalties thereon are paid or until it is discharged of record. The lien of said assessment shall be superior to and have priority over all special assessment liens created against the same property subsequent to the date of such recordation, except special assessment liens created under this act or under the "Assessment Bond Refunding Act of 1933," as amended. Any foreclosure of said assessment lien or sale of property for said lien shall convey the said property to the purchaser free and clear of all encumbrances, except taxes, special assessment liens created under this act or under the "Assessment Bond Refunding Act of 1933," as amended, and such special assessment liens as, at the date of the creation of said lien, are by law equal or superior to said assessment lien. From and after the date of the said recording of said assessment all persons shall be deemed to have notice of the contents thereof. The amounts assessed in said assessments shall be payable to the said

Stats 1933,  
p. 1916.  
Foreclosure

superintendent of streets or county surveyor with whom said assessment is recorded, and said superintendent of streets or county surveyor is authorized to receive the amount due upon any assessment and give a good and sufficient discharge therefor, provided bonds have not been issued to represent such assessment.

The officer with whom said assessment is recorded shall give notice by publication twice in a daily newspaper of general circulation printed and published in the county in which the lands assessed lie or by two successive insertions in a weekly newspaper of general circulation printed in such county that said assessment has been recorded in his office and that all sums assessed therein became due and payable upon the recordation of said assessment, stating the date of such recordation and that the payment of the said sums is to be made to him within thirty days after the date of such recordation. Said notice shall also contain a statement that bonds to represent assessments remaining unpaid after said thirty days will issue in the manner and form provided in this act and shall state the period over which said bonds shall extend and the rate or rates of interest which shall be payable thereon. Notice shall also be given by mailing a postcard to the owner of each lot, piece or parcel of land assessed according to the name and address appearing on the last equalized assessment roll for county taxes prior thereto or as known to the officer giving such notice; provided that a failure of the officer with whom the assessment is recorded to give such notice by mailing or of the person addressed to receive the same shall not affect the validity of the proceedings or the validity of the lien of any assessment or of any bond issued thereon.

Upon payment of any assessment, the superintendent of streets or the county surveyor with whom the said assessment is recorded shall mark upon the said assessment note of the said payment and shall cancel the said assessment, and upon request said superintendent of streets or county surveyor shall also give a receipt to the person paying the said assessment.

Any assessment upon public property shall be paid by the officer or board having charge of the disbursement of the funds of the owner of such property and said assessment shall be an enforceable obligation against the owner of or the governing body controlling the said property. If for any reason there are no moneys available for the payment of said assessment, then the board or officer whose duty it is to levy taxes for the said owner of said public property shall include in the next tax levy an amount in addition to moneys for all other purposes, sufficient to pay said assessment and the interest thereon from the date the assessment is recorded at the rate to be stated in the refunding bonds, and when the moneys received from said tax levy are available, said assessment and such interest thereon shall be paid by the officer or board having charge of the disbursement of the funds of the owner of

Notice of  
recordation

Payment and  
cancellation  
of assess-  
ment.

Public  
property.  
Assessment

Foreclosure  
of assess-  
ment.  
Stats 1933,  
p. 2379.

such land. Any assessment upon public property not in use in the performance of a public function may be foreclosed in the manner provided in section 27 of the "Improvement Act of 1911" as amended; provided, however, that the notice to be given upon the tax bill need not be given or made and that such action may be brought at any time after thirty days after the recording of such assessment, and in any such foreclosure action the said assessment and diagram with proof of non-payment shall be prima facie evidence of the right of plaintiff to recover in the action. Said action shall be brought in the name of the city or county the legislative body of which levied said assessment upon the request of any person entitled to any portion of the moneys to be derived from said assessment. The person requesting that said foreclosure action be brought must advance the plaintiff's costs and expenses thereof and said action may be brought by any competent attorney appointed by the legislative body which levied said assessment. In any case in which the assessment is levied by the legislative body of a county, the same shall be foreclosed as hereinbefore provided, except that the various officers designated in said section 27 shall be the corresponding county officers as designated in the County Improvement Act of 1921 as amended. No refunding bonds shall issue against public property, and the list of unpaid assessments to be filed with the clerk shall not include any unpaid assessment upon public property.

Stats 1921,  
p. 1658.

Stats. 1935,  
p. 2038.

SEC. 4. Section 17 of said act is hereby amended to read as follows:

Bonds and  
interest  
coupons.

Sec. 17. Said bonds shall be signed by the mayor or other chief executive of the city or by the chairman of the board of supervisors of the county, as the case may be, and by the treasurer of the city or county, as the case may be, and attested by the clerk of the legislative body which conducted the refunding proceedings, and the seal of the city or of the board of supervisors of the county shall be affixed thereto. The interest coupons affixed to said bonds shall be signed by the treasurer of the city or county, as the case may be, and such coupons may be signed by the printed, lithographed or engraved facsimile signature of such treasurer. The bonds shall have interest coupons attached thereto, payable semi-annually on January 2 and July 2. The first coupon shall be payable on the second day of January next succeeding the first four months after the date of the bonds and shall be for the interest accrued to that time. The bonds so issued shall be payable to bearer and shall bear interest at the rate or rates specified in the resolution ordering refunding. The bonds maturing in any year shall constitute the annual series of that year and the aggregate principal of the bonds in such series shall equal the even annual proportion of the aggregate principal sum of the entire bond issue hereinbefore referred to. Said bonds by their issuance shall be conclusive evidence of the regularity of all proceedings had prior thereto and of the



validity of such bonds. Said bonds shall be negotiable. Any of said bonds may be surrendered by the holder to the treasurer for registration in accordance with the provisions of any law applicable to the registration of bonds issued by the city or county, as the case may be, and thereafter the principal and interest thereon shall be paid to the proper registered owner thereof.

If the holders of all of the outstanding bonds agree to refund their bonds as proposed in the refunding proceeding, then all moneys in the interest and sinking fund of the district, all refunding bonds, all moneys collected on the assessments levied in the refunding proceeding, and all public contributions (if any) shall be paid and delivered to the holders of the outstanding bonds, in such amounts and proportions as may be fixed by contract with such bondholders. Any contract with the holder of any bond may provide such terms and conditions of exchange as may be agreed upon by the holder and the legislative body, and may contain such terms and conditions relating to time of performance, conditions precedent thereto, and the method and mode of performance, as may be agreed upon by said parties. Whenever the refunding bonds and moneys, if any, are delivered to said bondholders, said bondholders must concurrently deliver to the legislative body or its representative the outstanding unpaid bonds which are refunded and all outstanding unpaid interest coupons, constituting the entire indebtedness of said district, and the same shall forthwith be canceled.

Settlement  
with holders  
of all out-  
standing  
bonds.

In the event that the holders of one or more of the outstanding bonds do not enter any contract with the legislative body to refund the same, nevertheless if the holders of seventy-five per cent or more of the outstanding bonds do contract with the legislative body which conducts the refunding proceedings for the refunding of the bonds owned or held by them, said legislative body shall have authority to refund all of the bonds of said district under the provisions of this act, but in such event, prior to recording the assessment levied under this act, sufficient moneys to adequately provide for the retirement or payment of the bonds of the nonconsenting holders must be provided and set aside in the proper fund for that purpose. Any city or county or city and county which is authorized under this act to appropriate moneys to aid in refunding the bonds of the district, may make an advancement or contribution or an additional contribution in order to provide moneys to pay or retire bonds of such nonconsenting holders. Whenever any city or county or city and county or any person or corporation advances moneys to provide for the payment or retirement of the bonds of nonconsenting holders, the legislative body may deliver at par all or any portion of the refunding bonds which are not to be delivered to consenting bondholders to the person, corporation, city, county or city and county making such advance or advances, or sell at par all or any part of such refunding bonds not to be delivered to con-

Settlement  
with non-  
consenting  
holders

senting bondholders, and from the proceeds thereof reimburse such person, corporation, city, county or city and county entirely or partially and may contract to make such sale or delivery. If the legislative body makes all or any part of such advancement it may reimburse the city, county or city and county of which it is the legislative body, entirely or partially by taking all or any part of such refunding bonds at par. Any cash collected on assessments and not required to pay consenting bondholders may also be used to reimburse in whole or in part any person, corporation, city, county or city and county making such advance or advances, and the legislative body may contract to so apply such cash. Any other method of raising funds for the payment or retirement of the bonds of nonconsenting bondholders which will prior to the time the assessment is recorded under this act adequately provide the moneys necessary for such payment or retirement is hereby authorized. Whenever any moneys are placed in any fund for the retirement or payment of the bonds of nonconsenting holders the said moneys shall be used only for that purpose and after all of the bonds of said nonconsenting holders have been paid or retired any sum remaining in said fund shall be returned to the city or county or city and county which advanced the same.

Contracts to  
pay in cash.  
Sale of  
refunding  
bonds

If the contract with the bondholders or any of them provides that the bondholders, or any of them, are to be paid in cash, said legislative body may sell any or all of the refunding bonds for cash and pay said bondholders in cash at a price to be fixed in said contract. Said refunding bonds may be sold in such manner and at such prices as the legislative body may determine and any city or county is authorized and empowered to purchase any of said refunding bonds and to hold, collect or dispose of the same. It is the intent of this act to authorize the refunding of the indebtedness of a district through the exchange of refunding bonds for all or any part thereof, or through payment of all or any portion of the outstanding indebtedness in cash, and to enable the legislative body to obtain the cash necessary therefor from contributions as herein provided, or from ad valorem assessments or refunding assessments, or from the sale of any or all of the refunding bonds, or from the assignment of any refunding assessment levied upon public property, or from any or all of such sources, and all public officers are authorized and empowered to take all proceedings and perform all acts and enter and perform all contracts necessary or convenient to accomplish the said purposes. The legislative body conducting the refunding proceedings is authorized to advance from any fund or funds the amount of any refunding assessment levied upon public property and to enforce the payment of said refunding assessment, and said refunding assessment shall be and remain an enforceable obligation until it and all interest thereon are fully paid to the city or county which makes the advance.

In the event that the discharge of the bonds of any noncon-<sup>Bankruptcy readjustment.</sup>senting holders at less than the par value thereof has been authorized by any final decree or order confirming a plan of readjustment under any bankruptcy law of the United States of America in any proceedings initiated under the authority of this act, said legislative body is authorized to do and perform all acts and things necessary for the discharge of such bonds in accordance with said decree or order.

Wherever the words "bond" or "bonds" are used herein-<sup>Definitions</sup>before in this section in referring to the outstanding bonds the words shall be deemed to include and shall be construed to mean also any outstanding unpaid interest coupon or coupons of any bond or bonds of the district and the words "bondholder" or "bondholders" as used hereinbefore in this section shall be deemed to include and shall be construed as meaning also any holder or holders of outstanding unpaid interest coupons of bonds of the district.

After the date of the adoption of the resolution of intention<sup>Credits upon refunding assessments</sup> in the refunding proceeding all sums paid for any parcel of land into the interest and sinking fund for the payment of principal and interest of the bonds to be refunded shall be credited upon the assessment levied in the refunding proceeding upon such parcel and shall be applied as moneys paid upon such assessment.

Upon the recordation of the assessment in the refunding<sup>Cancellation of taxes</sup> proceeding all unpaid taxes or special assessment taxes levied to pay principal and interest of the bonds refunded and all penalties and interest thereon shall be deemed canceled and annulled, and the clerk of the legislative body which conducted such refunding proceedings shall notify the proper city officials or the proper county officials, or both, as the case may be, that the bonds of said district have been refunded and that said taxes or said special assessment taxes, penalties and interest are canceled and annulled and such officials shall thereupon proceed to make the necessary entries showing the cancellation thereof.

In any case in which a property owner has elected to pay<sup>Credits for payments under ten payment plan, etc</sup> delinquent taxes and assessments under the provisions of law commonly known as the ten payment plan, but has not thereby redeemed the property prior to the filing of the refunding assessment, the amount paid under the ten payment plan, which has been placed in the interest and sinking fund of the district, may be credited as assessment paid in making the refunding assessment, and only the unpaid balance of the ad valorem assessment canceled upon recordation of the refunding assessment, or, as an alternative, the amount paid into the interest and sinking fund under the ten payment plan may be considered as not paid upon the ad valorem assessment and shall not be deducted in making the refunding assessment, but in that event, upon recordation of the refunding assessment, the unpaid ad valorem assessments shall be canceled in

the usual manner and the moneys paid into the interest and sinking fund from such payments made under the ten payment plan shall be applied to and credited upon the redemption of the property from general taxes and other assessments, if any.

Stats. 1935,  
p. 2042.

Security for  
payment of  
bonds.

SEC. 5. Section 20 of said act is hereby amended to read as follows:

Sec. 20. (a) In the event of such refunding bonds being so issued, then the assessments which shall be unpaid, as shown on the list filed by the superintendent of streets or the county surveyor, as the case may be, with the clerk of the legislative body and any reassessments which may be issued thereon or in lieu thereof, together with interest thereon, shall remain and constitute a trust fund for the redemption and payment of said bonds and for the interest which may be due thereon. Such assessments and reassessments and each installment thereof and the interest and penalties thereon shall be and shall continue to constitute a lien against the lots and parcels of land on which made, until the same be paid, but for a period not exceeding the time within which an action might be brought on the last series of refunding bonds issued upon the security of such unpaid assessments; provided, however, that unmatured installments, interest and penalties shall not be deemed to be within the terms of any general warranty of title. Any foreclosure of said assessment lien or sale of property for said lien shall convey the said property to the purchaser free and clear of all encumbrances except taxes, special assessment liens created under this act or under the "Assessment Bond Refunding Act of 1933," as amended, and such special assessment liens as, at the date of the creation of said lien, are by law equal or superior to said assessment lien.

- Foreclosure  
of lien.

(b) In the event of nonpayment of any assessment or installment thereof or of any interest thereon, together with any penalties and other charges accruing under the laws or ordinances of the city or county, as the case may be, and not later than four years after the due date of the last installment of principal, as a cumulative remedy, the same when due and delinquent may by order of the legislative body be collected by suit brought in the superior court to foreclose the lien thereof. The costs shall be fixed and allowed by the court and shall include a reasonable attorneys' fee, interest, penalties and other charges and advances as herein provided, and when so fixed and allowed by the court shall be included in the judgment. The court shall have the power to adjudge and decree a lien against the lot or parcel of land covered by the assessment or reassessment for the amount of the judgment and to order said premises to be sold on execution as in other cases of the sale of real estate by the process of said court, with the same rights of redemption. On appeal, the appellate courts shall have the same power to adjudge and decree a lien and order such premises to be

sold on execution as is herein provided for the superior court. The foreclosure suit shall be governed and regulated by the provisions hereof, and also where not in conflict herewith by the codes of this State. The city or county (the legislative body of which conducted the refunding proceedings) shall have the right to advance and pay county or other taxes wherever necessary to protect its interest in property against which there is a delinquent assessment. It may also at its discretion temporarily transfer moneys into the redemption fund from other funds in which such moneys are not immediately needed, the moneys so transferred to be used to pay sums due from such redemption fund and to be retransferred therefrom out of the first available receipts. Upon the ordering of any such foreclosure suits the tax collector shall be credited upon the assessment roll then in his hands with the amount charged against him on account of such assessments or reassessments ordered to suit and be relieved of further duty in regard thereto.

(c) Such action shall be brought in the name of the city or county (the legislative body of which conducted the refunding proceedings) and may be brought at any time prior to the expiration of four years subsequent to the date of delinquency of the last installment of assessment due or to become due thereunder. The complaint may be brief and include substantially only the following allegations with reference to the assessments sought to be collected: That on a date stated the legislative body passed its resolution or ordinance determining to refund certain bonds which had been issued for certain improvement work (the improvement work need not be described); that an assessment for the purpose of refunding said bonds was duly given and made; that said assessment was recorded on a stated date; that certain property (describing it) was therein assessed a stated amount; that bonds upon the security of such assessment were duly issued, giving the date of said bonds, the interest rate and the number of years the last installment of same were to run, and that the same were duly issued under this act, but it shall be unnecessary to state the amount, number, denomination or other term thereof; that on a date stated a certain sum came due on said property on said assessment and had not been paid and that the legislative body had directed the action to foreclose. The amount of penalties, costs and interest due shall be calculated as hereinafter set forth in section 24 hereof up to the date of judgment. In such action plaintiff upon recovering judgment shall be entitled to reasonable counsel fees to be allowed by the court and taxed as costs.

Complaint in  
foreclosure  
action.

All proceedings heretofore taken for the refunding of the indebtedness of any district or districts under the provisions of the act designated in the title hereof, all assessments, if any, levied in such proceedings, and all refunding bonds, if any, heretofore issued in such proceedings, are hereby legalized, validated and confirmed.

Validation  
of proceed-  
ings and  
bonds.

Urgency.

SEC. 6. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of the State of California, and shall take effect immediately. The following is a statement of the facts constituting such necessity:

The indebtedness of special improvement districts payable from ad valorem assessments or from general taxes is in many instances greater than the property within the district can pay. Pyramiding of the taxes and assessments has resulted in many districts becoming almost entirely delinquent, and in preventing the upbuilding and development of lands in such districts and the collection of general taxes for the support of city, school and county government. In many districts large areas of land have been sold to the State for delinquency in the payment of taxes and assessments, and deeds to the State have been issued. These districts comprise substantial areas which have become almost entirely unproductive of revenue for school, city and county purposes. Lack of revenue, by reason of such delinquencies and the overlapping and pyramiding of taxes and assessments, has hampered and prevented some cities from providing adequate police and fire protection, sanitary and other health facilities. By refunding the obligations of such districts under this act, properties will be restored to the tax roll, delinquent taxes will be paid, and revenues provided from these districts to meet the urgent needs of cities, school districts and counties. Unless relief is immediately given under this act, thousands of property owners will lose their property, hundreds of thousands of dollars in taxes will be uncollectible, and funds necessary to provide for the safety and health of the inhabitants of several cities can not be supplied. The immediate refinancing of the indebtedness of these districts, as provided in this act, will restore property to the tax rolls, save property owners from the loss of their property, provide funds urgently needed for public safety, sanitation and health purposes, and permit building and development within such districts which is now paralyzed through fear of pyramiding taxes and assessments.

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#### CHAPTER 14.

Stats 1933,  
p. 1915,  
amended

*An act to amend sections 1, 2, 12 and 15 of the Assessment Bond Refunding Act of 1933, as amended, relating to the refunding of indebtedness of special improvement districts, the levy and enforcement of reassessments therefor, the issuance of refunding bonds, the contribution of public funds to assist in such refunding, and validating refunding proceedings heretofore taken, refunding reassessments heretofore levied, and refunding bonds heretofore issued,*

*and declaring the urgency hereof to take effect immediately.*

[Approved by the Governor March 30, 1938. Filed with Secretary of State March 30, 1938. In effect immediately.]

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

SECTION 1. Section 1 of the act designated in the title hereof is hereby amended to read as follows: Stats. 1937, p. 2370

Section 1. All bonded indebtedness consisting of outstanding unpaid bonds and outstanding unpaid interest coupons of bonds issued by or for any special improvement district, the bonds of which are payable from taxes or special assessments levied wholly or partly in accordance with the assessed value of lands, may be funded or refunded under and pursuant to the provisions of this act. At least two of the interest coupons on the refunding bonds must be at a rate of interest less than the interest rate on the bonds to be refunded, and the rate of interest on the refunding bonds shall not exceed the rate of interest on the bonds to be refunded. The legislative body of the city or county or city and county which conducts the refunding proceedings may negotiate and contract with the holders of bonds for such refunding and to aid in such refunding may appropriate moneys from any available fund of the city or county or city and county. Any county in which the district lies, whether the district be entirely or partly within a city or cities, or entirely or partially within unincorporated territory of the county, is hereby authorized to appropriate moneys from any available fund to assist in such refunding. Any city in which the district or any portion thereof lies is also authorized to appropriate moneys from any available fund to assist in such refunding. Such appropriations or contributions may be made at any time during the course of the refunding proceedings. To assist in refunding the indebtedness of any district the county in which the district lies and any city in which any portion of a district lies are hereby authorized to contribute moneys to be received from the collection of delinquent county or city taxes, as the case may be, upon property within the district. In refunding such indebtedness under this act, the total amount of the reassessments to be levied under this act plus contributions, if any, of public money to aid in such refunding, except contributions for the payment of interest maturing or accruing subsequent to the date the resolution of intention in the refunding proceeding is adopted and moneys used for the payment of incidental expenses of the refunding proceeding, shall be less than the total amount of the outstanding unpaid bonds and the outstanding due and unpaid interest coupons which are to be refunded.

Refunding bonds authorized

Interest rate.

Contracts

Contributions.

Amount of reassessments.

The legislative body making any contribution of public funds to aid or assist in the refunding must determine that the public interest, convenience or necessity requires such contribution.

Stats. 1937,  
p. 2371.

SEC. 2. Section 2 of said act is hereby amended to read as follows:

Resolution:  
Contents.

Sec. 2. Whenever the legislative body of any city or county or city and county of this State determines by resolution that the public interest, convenience or necessity require the refunding of the indebtedness of any special improvement district which it is given jurisdiction to refund under the provisions of this act, said legislative body shall by resolution declare its intention to refund such indebtedness and shall determine the total maximum principal amount for which a reassessment shall be levied in the refunding proceedings, and shall determine the term of any refunding bonds to be issued to represent unpaid reassessments as herein provided and the rate or rates of interest of such bonds. The rate of interest during the entire term of such bonds need not be the same but different rates may be stated for one or more interest payments of such bonds. If such different rates of interest are proposed, each rate and the time during which such rate shall be paid shall be designated in such resolution. The amount of any proposed contribution of public funds to be made to assist in such refunding, except contributions for the payment of interest maturing or accruing subsequent to the date the resolution of intention is adopted and money used for the payment of incidental expenses of the refunding proceeding, shall be stated in such resolution, but this shall not prevent said legislative body making additional contributions thereto at any time. In said resolution said legislative body shall state the total amount of the outstanding indebtedness to be refunded (which shall be deemed to be the principal amount of outstanding unpaid bonds and the amount of due and unpaid interest coupons), the amount of the principal of bonds included therein, and the amount of due and unpaid interest coupons included therein, all as of the date said resolution is adopted. No error or mistake in the computation of the amount of unpaid principal or unpaid interest shall affect the validity of the refunding proceedings, and no error or mistake in any statement of the amount of such principal or interest in any notice, resolution or order in the course of the proceedings shall invalidate in any way the reassessment or the refunding bonds or the refunding proceedings; provided that the total sum of the reassessment levied in the refunding proceeding, plus any contribution or contributions of public funds made to aid in such refunding, except contributions for the payment of interest maturing or accruing subsequent to the date the resolution of intention is adopted and moneys used for the payment of incidental expenses of the refunding proceedings, shall not exceed the sum of the principal amount of the bonds to be refunded and the amount of the due and unpaid interest coupons to be refunded. If interest maturing or accruing subsequent to the date the resolution of intention is adopted upon any bonds exchanged, paid or purchased in the refunding proceedings is to be paid, the resolution shall so state. Said



resolution shall contain a statement that for any reassessment not paid within thirty days from the date of recordation thereof a bond will issue in the manner and form provided in this act (designating the act by title or other suitable reference).

Said resolution shall also contain a date, hour, and place for the hearing of objections to said refunding, and the date fixed for said hearing shall not be less than twenty days nor more than sixty days subsequent to the date of adoption of said resolution. Said resolution shall also contain a statement that the refunding shall not be authorized unless the written consent of the owners of a majority in area of the land in the district subject to assessment to pay the principal and interest of the outstanding bonds is filed with the clerk of the legislative body, and that any owner of land in said district may file his written consent to such refunding at any time prior to the adoption of the resolution ordering the refunding.

SEC. 3. Section 12 of said act is hereby amended to read as follows: Stats 1935,  
p. 2008.

Sec. 12. If the refunding proceedings are conducted by the legislative body of a city, said reassessment as confirmed shall be recorded with the superintendent of streets of said city. If the refunding proceedings are conducted by the legislative body of a county, said reassessment as confirmed shall be recorded with the county surveyor of said county. The reassessment shall not be recorded until the holders of all outstanding bonds and coupons have contracted to exchange such bonds and coupons in the refunding proceedings, or, if all holders of outstanding bonds and coupons do not so contract, the reassessment shall not be recorded until adequate provision has been made as required in this act for the retirement or payment of the bonds and coupons of nonconsenting holders. When so recorded, the several amounts reassessed upon the lots, pieces or parcels of land in said reassessment shall be a lien thereon as of the date of such recordation. Such lien shall continue until said reassessment and all interest and penalties thereon are paid or until it is discharged of record. The lien of said reassessment shall be superior to and have priority over all special assessment liens created against the same property subsequent to the date of such recordation, except special assessment liens created under this act or under the "Refunding Assessment Bond Act of 1935," as amended. Any foreclosure of said reassessment lien or sale of property for said lien shall convey the said property to the purchaser free and clear of all encumbrances except taxes, special assessment liens created under this act or under the "Refunding Assessment Bond Act of 1935," as amended, and such special assessment liens, as at the date of the creation of said lien, are by law equal or superior to said reassessment lien. From and after the date of the said recording of said reassessment all persons

Recording of  
reassess-  
ment.

Lien.

Stats 1935,  
p. 2023.  
Foreclosure

Notice of  
recordation

shall be deemed to have notice of the contents thereof. The amounts assessed in said reassessment shall be payable to the said superintendent of streets or county surveyor with whom said reassessment is recorded, and said superintendent of streets or county surveyor is authorized to receive the amount due upon any reassessment and give a good and sufficient discharge therefor, provided a bond has not been issued to represent such reassessment. The officer with whom said reassessment is recorded shall give notice by publication for ten days in a daily newspaper of general circulation printed and published in the county in which the lands reassessed lie or by three successive insertions in a weekly newspaper of general circulation printed in such county that said reassessment has been recorded in his office and that all sums assessed therein became due and payable upon the recordation of said reassessment, stating the date of such recordation and that the payment of the said sums is to be made to him within thirty days after the date of such recordation. Said notice shall also contain a statement that for any reassessment not paid before the expiration of said thirty days, a bond will issue in the manner and form provided in this act and shall state the period over which said bond shall extend and the rate of interest which shall be payable thereon. Notice shall also be given by mailing a post card to the owner of each lot, piece or parcel of land reassessed according to the name and address appearing on the last equalized assessment roll for county taxes prior thereto or as known to the superintendent or surveyor; provided that a failure of the superintendent or surveyor to give such notice by mailing or of the person addressed to receive the same shall not affect the validity of the proceedings or the validity of the lien of any reassessment or of any bond issued thereon. Upon payment of any reassessment, the superintendent of streets or the county surveyor with which the said reassessment is recorded shall mark upon the said reassessment note of the said payment and shall cancel the said reassessment, and upon request, said superintendent of streets or county surveyor shall also give a receipt to the person paying the said reassessment. Any reassessment upon public property shall be paid by the officer or board having charge of the disbursement of the funds of the owner of such property, and said reassessment shall be an enforceable obligation against the owner of or the governing body controlling the said property. If for any reason there are no moneys available for the payment of said reassessment, then the board or officer whose duty it is to levy taxes for the said owner of said public property shall include in the next tax levy an amount, in addition to moneys for all other purposes, sufficient to pay said reassessment and the interest thereon from the date the reassessment is recorded at the rate to be stated in the refunding bonds, and when the moneys received from said tax levy are available, said reassessment

Payment and  
cancellation  
of reassess-  
ment.

Public  
property  
Reassess-  
ment.

and such interest thereon shall be paid by the officer or board having charge of the disbursement of the funds of the owner of such land. Any reassessment upon public property not in use in the performance of a public function may be foreclosed in the manner provided in section 27 of the "Improvement Act of 1911" as amended; provided, however, that the notice to be given upon the tax bill need not be given or made and that such action may be brought at any time after thirty days after the recording of such reassessment, and in any such foreclosure action the said reassessment and diagram with proof of nonpayment shall be prima facie evidence of the right of plaintiff to recover in the action. Said action shall be brought in the name of the city or county the legislative body of which levied said reassessment upon the request of any person entitled to any portion of the moneys to be derived from said reassessment. The person requesting that said foreclosure action be brought must advance the plaintiff's costs and expenses thereof and said action may be brought by any competent attorney appointed by the legislative body which levied said reassessment. In any case in which the reassessment is levied by the legislative body of a county, the same shall be foreclosed as hereinbefore provided, except that the various officers designated in said section 27 shall be the corresponding county officers as designated in the County Improvement Act of 1921 as amended. No refunding bond shall issue against public property, and the list of unpaid reassessments to be filed with the treasurer shall not include any unpaid reassessment upon public property.

Foreclosure  
of reassess-  
ment.  
Stats 1933,  
p. 2379.

Stats 1921,  
p. 1658

SEC. 4. Section 15 of said act is hereby amended to read as follows:

Stats 1935,  
p 2010

Sec. 15. If the holders of all of the outstanding bonds agree to refund their bonds as proposed in the refunding proceeding, then all moneys in the interest and sinking fund of the district, all refunding bonds, all moneys collected on the reassessments levied in the refunding proceeding, and all public contributions (if any) shall be paid and delivered to the holders of the outstanding bonds, in such amounts and proportions as may be fixed by contract with such bondholders. Any contract with the holder of any bond may provide such terms and conditions of exchange as may be agreed upon by the holder and the legislative body, and may contain such terms and conditions relating to time of performance, conditions precedent thereto, and the method and mode of performance, as may be agreed upon by said parties. Whenever the refunding bonds and moneys, if any, are delivered to said bondholders, said bondholders must concurrently deliver to the legislative body or its representative the outstanding unpaid bonds which are refunded and all outstanding unpaid interest coupons, constituting the entire indebtedness of said district, and the same shall forthwith be canceled.

Settlement  
with holders  
of all out-  
standing  
bonds.

Settlement  
with non-  
consenting  
holders.

In the event that the holders of one or more of the outstanding bonds do not enter any contract with the legislative body to refund the same, nevertheless if the holders of seventy-five per cent or more of the outstanding bonds do contract with the legislative body which conducts the refunding proceedings for the refunding of the bonds owned or held by them, said legislative body shall have authority to refund all of the bonds of said district under the provisions of this act, but in such event, prior to recording the reassessment levied under this act, sufficient moneys to adequately provide for the retirement or payment of the bonds of the nonconsenting holders must be provided and set aside in the proper fund for that purpose. Any city or county or city and county which is authorized under this act to appropriate moneys to aid in refunding the bonds of the district, may make an advancement or contribution or an additional contribution in order to provide moneys to pay or retire bonds of such nonconsenting holders. Whenever any city or county or city and county or any person or corporation advances moneys to provide for the payment or retirement of the bonds of nonconsenting holders, the legislative body may deliver at par all or any portion of the refunding bonds which are not to be delivered to consenting bondholders to the person, corporation, city, county or city and county making such advance or advances, or sell at par all or any part of such refunding bonds not to be delivered to consenting bondholders, and from the proceeds thereof reimburse such person, corporation, city, county or city and county entirely or partially, and may contract to make such sale or delivery. If the legislative body makes all or any part of such advancement it may reimburse the city, county or city and county of which it is the legislative body, entirely or partially by taking all or any part of such refunding bonds at par. Any cash collected on reassessments and not required to pay consenting bondholders may also be used to reimburse in whole or in part any person, corporation, city, county or city and county making such advance or advances, and the legislative body may contract to so apply such cash. Any other method of raising funds for the payment or retirement of the bonds of nonconsenting bondholders which will prior to the time the reassessment is recorded under this act adequately provide the moneys necessary for such payment or retirement is hereby authorized. Wherever any moneys are placed in any fund for the retirement or payment of the bonds of nonconsenting holders the said moneys shall be used only for that purpose and after all of the bonds of said nonconsenting holders have been paid or retired any sum remaining in said fund shall be returned to the city or county or city and county which advanced the same.

Contracts to  
pay in cash:  
Sale of  
refunding  
bonds.

If the contract with the bondholders or any of them provides that the bondholders, or any of them, are to be paid in cash, said legislative body may sell any or all of the refunding bonds for cash and pay said bondholders in cash at a price to

be fixed in said contract. Said refunding bonds may be sold in such manner and at such prices as the legislative body may determine and any city or county is authorized and empowered to purchase any of said refunding bonds and to hold, collect or dispose of the same. It is the intent of this act to authorize the refunding of the indebtedness of a district through the exchange of refunding bonds for all or any part thereof, or through payment of all or any portion of the outstanding indebtedness in cash, and to enable the legislative body to obtain the cash necessary therefor from contributions as herein provided, or from assessments or reassessments, or from the sale of any or all of the refunding bonds, or from the assignment of any reassessment levied upon public property, or from any or all of such sources, and all public officers are authorized and empowered to take all proceedings and perform all acts and enter and perform all contracts necessary or convenient to accomplish the said purposes. The legislative body conducting the refunding proceedings is authorized to advance from any fund or funds the amount of any reassessment levied upon public property and to enforce the payment of said reassessment, and said reassessment shall be and remain an enforceable obligation until it and all interest thereon are fully paid to the city or county which makes the advance.

In the event that the discharge of the bonds of any non-consenting holders at less than the par value thereof has been authorized by any final decree or order confirming a plan of readjustment under any bankruptcy law of the United States of America in any proceedings initiated under the authority of this act, said legislative body is authorized to do and perform all acts and things necessary for the discharge of such bonds in accordance with said decree or order.

Bankruptcy  
readjust-  
ment.

Wherever the word "bond" or "bonds" is used hereinbefore in this section in referring to the outstanding bonds the word shall be deemed to include and shall be construed to mean also any outstanding unpaid interest coupon or coupons of any bond or bonds of the district, and the word "bondholder" or "bondholders" as used hereinbefore in this section shall be deemed to include and shall be construed as meaning also any holder or holders of outstanding unpaid interest coupons of bonds of the district.

Definitions.

After the date of the adoption of the resolution of intention in the refunding proceeding all sums paid for any parcel of land into the interest and sinking fund for the payment of principal and interest of the bonds to be refunded shall be credited upon the reassessment levied in the refunding proceeding upon such parcel and shall be applied as moneys paid upon such reassessment.

Credits upon  
refunding  
reassess-  
ments.

Upon the recordation of the reassessment in the refunding proceeding all unpaid taxes or special assessment taxes levied to pay principal and interest of the bonds refunded and all penalties and interest thereon shall be deemed canceled

Cancellation  
of taxes.

and annulled, and the clerk of the legislative body which conducted such refunding proceedings shall notify the proper city officials or the proper county officials, or both, as the case may be, that the bonds of said district have been refunded and that said taxes or said special assessment taxes, penalties and interest are canceled and annulled and such officials shall thereupon proceed to make the necessary entries showing the cancellation thereof.

Credits for  
payments  
under ten  
payment  
plan, etc

In any case in which a property owner has elected to pay delinquent taxes and assessments under the provisions of the law commonly known as the ten payment plan, but has not thereby redeemed the property prior to the filing of the reassessment in the refunding proceeding, the amount paid under the ten payment plan, which has been placed in the interest and sinking fund of the district, may be credited as assessment paid in making the reassessment and only the unpaid balance of the ad valorem assessment canceled upon recordation of the reassessment, or, as an alternative, the amount paid into the interest and sinking fund under the ten payment plan may be considered as not paid upon the assessment and shall not be deducted in making the reassessment, but in that event, upon recordation of the reassessment in the refunding proceeding, the unpaid assessments shall be canceled in the usual manner and the moneys paid into the interest and sinking fund from such payments made under the ten payment plan shall be applied to and credited upon the redemption of the property from general taxes and other assessments, if any.

Validation of  
proceedings  
and bonds

All proceedings heretofore taken for the refunding of the indebtedness of any district or districts under the provisions of the act designated in the title hereof, all reassessments, if any, levied in such proceedings, and all refunding bonds, if any, heretofore issued in such proceedings, are hereby legalized, validated and confirmed.

Urgency

SEC. 5. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of the State of California, and shall take effect immediately. The following is a statement of the facts constituting such necessity:

The indebtedness of special improvement districts payable from ad valorem assessments or from general taxes is in many instances greater than the property within the district can pay. Pyramiding of the taxes and assessments has resulted in many districts becoming almost entirely delinquent, and in preventing the upbuilding and development of lands in such districts and the collection of general taxes for the support of city, school and county government. In many districts large areas of land have been sold to the State for delinquency in the payment of taxes and assessments, and deeds to the State have been issued. These districts comprise substantial areas which have become almost entirely unproductive of revenue

for school, city and county purposes. Lack of revenue, by reason of such delinquencies and the overlapping and pyramiding of taxes and assessments, has hampered and prevented some cities from providing adequate police and fire protection, sanitary and other health facilities. By refunding the obligations of such districts under this act, properties will be restored to the tax roll, delinquent taxes will be paid, and revenues provided from these districts to meet the urgent needs of cities, school districts and counties. Unless relief is immediately given under this act, thousands of property owners will lose their property, hundreds of thousands of dollars in taxes will be uncollectible, and funds necessary to provide for the safety and health of the inhabitants of several cities can not be supplied. The immediate refinancing of the indebtedness of these districts, as provided in this act, will restore property to the tax rolls, save property owners from the loss of their property, provide funds urgently needed for public safety, sanitation and health purposes, and permit building and development within such districts which is now paralyzed through fear of pyramiding taxes and assessments

#### CHAPTER 15.

*An act to amend sections 86, 87 and 89 of, and to add sections 88.5 and 94.5 to, the Agricultural Code, relating to agricultural districts, fairs, and including provision for leasing, letting and granting licenses for the use of property of such districts, providing that the Director of Finance may make available certain State property for the use of such districts, declaring the urgency of this act, and providing that it shall take effect immediately.*

Stats 1933,  
p. 60,  
amended

[Approved by the Governor April 5, 1938. Filed with Secretary of State April 5, 1938. In effect immediately.]

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

SECTION 1. Section 86 of the Agricultural Code is hereby amended to read as follows:

Stats 1935,  
p. 1897.

86. Each district agricultural association is a State institution. Each association by its name has perpetual succession, may have a seal, be sued and, with the approval of the Department of Finance, may:

Powers of  
association.

(a) Contract, and sue.

(b) Purchase, acquire, hold, sell, exchange or convey any interest in real or personal property and beautify or improve such property.

(c) Lease, let or grant licenses for the use of its real estate or personal property or any portion thereof for any agricultural, horticultural, viticultural, or live stock fairs or exhibitions, floral displays, exhibitions of industries and industrial products.

(d) Contract with any county or county fair association for holding a fair jointly with the same. Such joint fair shall constitute a district fair of the association.

(e) Do any and all things necessary to carry out the above powers and the objects and purposes for which the association is formed.

Stats 1933,  
p. 72.

Powers of  
directors.

SEC. 2. Section 87 of the Agricultural Code is hereby amended to read as follows:

87. The board of directors may, with the approval of the Department of Finance:

(a) Fix the term of office, bond, salary, and duties of the secretary and of the treasurer.

(b) Manage the affairs of the association.

(c) Make all necessary by-laws, rules and regulations for the government of the association.

(d) Arrange for and conduct or cause or by contract permit to be conducted by any other institution, corporation or association, upon its property at such time as they may deem advisable, any agricultural, horticultural, viticultural, or live stock fairs or expositions, circuses, floral displays, exhibitions of industries and industrial products.

Restriction  
on leasing  
race tracks

An agricultural association shall not lease its race track, for running races of horses, to any private person, firm or corporation except to a national or international exposition or its affiliated corporations or associations for the period of time now permitted by law for fairs. The provisions of this subdivision shall not apply to existing leases or extensions or renewals thereof.

New section.

SEC. 3. Section 88.5 is hereby added to the Agricultural Code to read as follows:

Use of cer-  
tain State  
property.

88.5. The Director of Finance may make available for the use of any district agricultural association any property of the State, suitable for the purposes of the district, which has been obtained by the State by gift from counties, cities and counties, or cities, or otherwise without cost to the State.

Stats. 1933,  
p. 72.

Income.

SEC. 4. Section 89 of the Agricultural Code is hereby amended to read as follows:

89. All moneys received by any district agricultural association other than from the sale of real property shall be retained and used by such association for its general use and purposes and for its maintenance, support and operation.

New section

SEC. 5. Section 94.5 is hereby added to the Agricultural Code, to read as follows:

Escheat of  
property,  
etc.

94.5. Associations mentioned in section 94 of this code shall be deemed instrumentalities of the State for the purposes therein mentioned and upon dissolution of any such association all property thereof, after payment of outstanding debts, shall escheat to the State.

Urgency.

SEC. 6. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health or safety within the meaning of section 1 of Article IV of the Constitution, and shall therefore go



into immediate effect. The facts constituting the necessity are as follows:

Public Works Administration grants will or may be available to those agricultural districts which may under the provisions of this act lease, let, or grant licenses for the use of their properties for fair or exposition purposes. This act is designed to permit such leasing, letting or licensing.

## CHAPTER 16.

*An act to amend section 92 of the Agricultural Code, relating to county and district agricultural fairs.* Stats 1933, p 60, amended.

[Approved by the Governor April 5, 1938. Filed with Secretary of State April 5, 1938. In effect June 11, 1938.]

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

SECTION 1. Section 92 of the Agricultural Code is hereby amended to read as follows: Stats. 1937, p 1977.

92. The Department of Finance shall apportion any money appropriated by the State for the encouragement of county, district or combined county and district fairs to the various agricultural fairs on the basis of the amount which each fair actually paid in premiums for agricultural, horticultural, mineral and live stock exhibits in each year. The money so apportioned shall be paid to the several counties and district agricultural associations as soon as such apportionment is determined. The county or district agricultural association shall deposit such money in a separate bank account approved by the Director of Finance in accordance with the provisions of section 10 of an act entitled, "An act to authorize and control the deposit in banks of money belonging to or in the custody of the State and to repeal all acts or parts of acts in conflict with this act," approved April 12, 1923, as amended. Such money may be expended for premiums, capital outlay, including purchase of land, construction, improvements, equipment, or other purposes for the encouragement of county or district agricultural association fairs pursuant to a budget submitted to, and approved by, the Department of Finance subject to the provisions of section 677.5 of the Political Code. State premium money. Deposit in bank. Expenditure. Stats. 1935, p. 461.

All sums expended from such moneys for construction and improvements by counties shall be subject to the provisions of section 4041.18 of the Political Code. The county auditor or secretary of any such fair desiring to share in any such appropriation shall file with the Department of Finance on or before December 31st, of each year, a sworn statement setting forth the actual amount paid for premiums by such fair held in that year. Statement of premiums paid.

A maximum of six thousand dollars paid for premiums shall be the base of allocation to any fair for its first year of oper- Allocation base.

ation and thereafter said maximum may increase not to exceed ten per cent in each subsequent year over the base for the year in which a fair was last held. For any fair operated prior to 1933 which received, or was qualified to receive, money from appropriations for the support of agricultural fairs, the basis may be increased ten per cent for each year in which a fair was held from the time the fair was first held, except that if no fair was held by the county or district for a period of five or more years the percentage of increase shall apply only from the first fair held after said period. Any fair may pay premiums in an amount greater than that used as the base of apportionment to it.

Department  
of Finance.  
Rules and  
regulations

The Department of Finance shall prescribe rules and regulations for the judging of exhibits, and the maximum amount of premiums which may be offered and paid for all classes, sections, and types of exhibits. No fair shall receive any apportionment of funds under this section unless it complies with such rules and regulations.

Restrictions  
on allot-  
ments.

No allotment from the appropriation herein provided shall be made for more than one fair in any one year in any county or district. The fact that a county or district contracts one with the other or with a county fair association, to hold an agricultural fair shall not bar it from receiving a proper proportion of the moneys herein appropriated, except that no county or district may hold a joint or combined fair and receive an allotment of money under the provisions of this section. No fair for which a separate appropriation is made by the State shall participate in the apportionment of any money appropriated for the encouragement of county and district agricultural fairs.

Examination  
of books and  
records

The Department of Finance, in its discretion, may at any time examine the books and records of any fair to determine the correctness of any statement or report filed with the Department of Finance.

## CHAPTER 17.

*An act to amend section 3817g and to repeal section 3817j of the Political Code and to add sections 3817b6, 3817c6, 3817k, and 3817.1 thereto, relating to taxation and assessment, including payment of taxes in installments and tax redemption from tax sales, and declaring the urgency thereof, to take effect immediately.*

[Approved by the Governor April 6, 1938. Filed with Secretary of State April 6, 1938. In effect immediately.]

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

New section

SECTION 1. Section 3817b6 is hereby added to the Political Code to read as follows:

"Taxes"  
defined.

3817b6. "Taxes," as used in this section, includes all taxes and assessments and annual installments of assessments charged on the tax roll.

In all cases where real estate has been sold to the State on or before July 6, 1937, for delinquent taxes and the State has not disposed of the same, the person whose estate has been sold, his heirs, executors, administrators, or other successors in interest, may, on or before the twentieth day of August, 1938, redeem such property by paying the amount of unpaid taxes, as defined in section 3817k, with interest on the whole amount of unpaid taxes at the rate of seven per cent per annum computed beginning the first day of July, 1936, to the time of such redemption.

Redemption of property sold to State

No other interest, costs, penalties for delinquency, or redemption penalties accruing before August 20, 1938, need be paid on such redemption

Except as provided in this section, such redemption shall be made under section 3817.

Manner of redemption

SEC. 2. Section 3817c6 is hereby added to the Political Code to read as follows:

New section

3817c6 "Taxes," as used in this section, includes all taxes and assessments and annual installments of assessments charged on the tax roll.

"Taxes" defined

In all cases where real estate has been sold to the State on or before July 6, 1937, for delinquent taxes, and the State has not disposed of the same, the person whose estate has been sold, his heirs, executors, administrators, or other successors in interest, may, on or before August 20, 1938, elect to pay such delinquent taxes in installments.

Election to pay delinquent taxes in installments

During the time such installments are paid as prescribed in this section, together with current State and county taxes, the period of redemption of such real estate is extended, and there shall be no sale of the property at auction before deed to the State, nor a deed to the State, nor, if already deeded to the State, a resale by the State.

Extension of redemption period.

Such payments in installments shall be made as follows:

Installment payments

(a) The first payment shall consist of ten per cent, or more, of the amount of unpaid taxes, as defined in section 3817k, plus interest on the whole amount of unpaid taxes at seven per cent per annum beginning July 1, 1936, to date of such payment. Before such first payment is made there must be paid the amount of taxes, penalties and costs due and payable for the fiscal year in which such payment is made.

(b) Further payments shall be made not later than April 20 in each succeeding fiscal year and each payment shall consist of ten per cent, or more, of the whole amount of unpaid taxes, plus interest at seven per cent per annum from the date of the preceding payment on the balance of the amount of unpaid taxes remaining unpaid after the previous payment.

In the event of failure to make any of the payments on or before the dates prescribed, such property is thereupon subject to sale at auction or may be deeded to the State or

Default in payments

resold by the State, in the same manner as if no election to pay delinquent taxes in installments had been made.

Effect of  
payments

No such payment, nor all of them, is a redemption of the real estate nor affects the right, title, or interest of the State, but is compensation for the use of the real estate. If each installment is paid as prescribed and if redemption of the property is made on or before the twentieth day of April, 1948, the amounts previously paid and credited are a credit on the amount to be paid for such redemption.

Payments for  
redemption  
by April  
20, 1948

If all installments are paid as prescribed and the property is redeemed on or before the twentieth day of April, 1948, the amount necessary to redeem the property is the sum of the following amounts, unless, under some other method of redemption, a redemption may be made for a lesser amount:

(a) The amount of unpaid taxes, with interest thereon equal to the amount of interest included in all installment payments previously made or credited.

(b) Interest equal to the amount of interest due at the time of such redemption on the remainder, if any, of the amount of unpaid taxes payable in installments under this section.

Manner of  
redemption

Except as provided in this section, such redemption shall be made under section 3817.

Stats. 1937,  
p. 149.

SEC. 3. Section 3817g of the Political Code is hereby amended to read as follows:

Credits upon  
change in  
installment  
plan.

3817g. Any person, his heirs, executors, administrators, or other successors in interest, who elected to pay delinquent taxes in installments in accordance with the provisions of any section providing for such payment and who has defaulted in his payments under such section, and who elects to pay delinquent taxes in installments under a section providing for such payment, shall receive credit on the amount payable for the total amount, without an allowance of interest thereon, previously paid. This credit is in addition to and not a substitute for the payment of any part of any installment payable and shall be allowed after the first installment is paid.

Stats. 1937,  
p. 149.

SEC. 4. Section 3817j of the Political Code is hereby repealed.

New section

SEC. 5. Section 3817k is hereby added to the Political Code to read as follows:

"Amount of  
unpaid  
taxes"  
defined.

3817k. As used in any section providing for redemption of real estate from tax sale or in any section providing for payment of delinquent taxes in installments, "amount of unpaid taxes" means the sum of the following amounts:

(a) The amount of taxes which were a lien on the real estate at the time of the sale.

(b) All other unpaid taxes of every description which are a lien on the property for the year of sale and for each year since the sale, as shown on the delinquent assessment rolls in the then permanent custody of the county auditor, or,

if not so assessed, then on the value of the property as fixed by the assessor under the provisions of section 3817m.

SEC. 6. Section 3817.1 is hereby added to the Political Code to read as follows: New section.

3817.1. Whenever property is being redeemed, and the property does not appear on the assessment roll, the auditor may do either of the following: Property being redeemed but not on assessment roll.

(a) Require the redemptioner to pay the taxes, penalties, and costs due for the fiscal year in which redemption is made at the same time and in the same manner as the amount necessary to redeem. The auditor shall base his computation of the amount of these taxes on the valuation furnished him by the assessor for such year. In this event, the assessor shall enter the property on the roll for the fiscal year succeeding the year in which redemption is made. Payments for current year

(b) Require that the property be placed on the roll for the fiscal year in which redemption is made, and that taxes and penalties for such year be collected as if the property were originally on the roll. In this event, the assessor shall assess the property on the roll for the fiscal year in which redemption is made.

SEC. 7. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety, within the meaning of section 1 of Article IV of the Constitution, and shall therefore go into immediate effect. The facts constituting the necessity are as follows: Due to the widespread depression, many taxpayers have been unable to pay their taxes, or to redeem their property from sale to the State for delinquency. By permitting redemption with reduced penalties, and payment of delinquent taxes in installments, many taxpayers will be enabled to redeem their property, restore the same to the tax rolls and thereby add needed revenue for the operation and maintenance of government. Urgency

SEC. 8. The provisions of sections 3817b6 and 3817c6 of the Political Code as added by this bill shall become operative effective April 21, 1938. Operative date of secs 3817b6 and 3817c6

CHAPTER 18.

*An act to authorize the California Commission for the Golden Gate International Exposition to procure insurance.*

[Approved by the Governor April 11, 1938. Filed with Secretary of State April 13, 1938. In effect June 11, 1938.]

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

SECTION 1. The California Commission for the Golden Gate International Exposition is hereby authorized and empowered to insure against loss from any insurable risk what- Power to insure

soever all buildings belonging to the State of California and in the custody or under the control or management of the commission, and to insure against loss from any insurable risk whatsoever all personal property owned by the State and in the custody or under the control or management of the commission, and all personal property in the commission's custody or under its control or management or which shall come into its custody or under its control or management by reason of any contract of lease, loan or otherwise. The commission is further authorized and empowered to insure on its own behalf and on behalf of the State of California against loss from any liability imposed upon it or the State for any damage to person or persons or property for any matter or thing done by the agents, servants or employees of the commission or any matter or thing occurring upon any and all premises under its control and management.

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CHAPTER 19.

Stats 1933,  
p 2396,  
amended

*An act to amend the title of, and to add section 10 to, an act entitled "An act to provide for the alteration of the boundaries of incorporated towns and cities by the annexation of contiguous territory thereto owned by the incorporated town or city desiring the annexation of the same, and for the incorporation of such annexed territory in and as a part of such municipality, and for the districting, government and municipal control of the annexed territory," approved June 13, 1933, relating to the annexation of contiguous territory not owned by the town or city.*

[Approved by the Governor April 11, 1933. Filed with Secretary of State April 13, 1933. In effect June 11, 1933.]

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

Stats 1933,  
p. 2396.

Title  
amended.

SECTION 1. The title of the act cited in the title hereof is hereby amended to read as follows:

An act to provide for the alteration of the boundaries of incorporated towns and cities by the annexation of contiguous territory thereto owned by either the incorporated town or city desiring the annexation of the same, or a school district, and for the incorporation of such annexed territory in and as a part of such municipality, and for the districting, government and municipal control of the annexed territory.

New  
section.

SEC. 2. Section 10 is hereby added to said act to read as follows:

Incorpo-  
ration of  
territory  
not owned  
by city.

Sec. 10. Territory not owned by an incorporated town or city may be annexed thereto upon taking the same proceedings as if it were so owned, if:

- (a) The territory is all of the following:  
(1) Uninhabited.

(2) Located within a school district within which the whole or a part of the incorporated town or city is located.

(3) Owned by the same school district.

(4) Contiguous to the incorporated town or city.

(5) Within the same county as the incorporated town or city.

(6) Outside of the boundaries of any other incorporated town or city.

(b) The school district first files with the legislative body of the incorporated town or city, a verified petition describing the territory, alleging the facts set forth in subdivision (a) of this section, and requesting that it be so annexed.

## CHAPTER 20.

*An act to amend sections 3661b, 3666a, 3668, 3668b, 3668c and 3669 of the Political Code, all relating to the taxation of insurance companies and associations under the provisions of Article XIII of the Constitution of this State, and providing that this act shall take effect upon the effective date of Senate Constitutional Amendment No. 1, proposed at the extraordinary session of the Legislature commencing on the seventh day of March, one thousand nine hundred thirty-eight.*

[Approved by the Governor April 11, 1938. Filed with Secretary of State April 13, 1938. Effective as provided in Sec. 7.]

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

SECTION 1. Section 3664b of the Political Code is hereby amended to read as follows:

3664b. Every insurance company or association doing business in this State shall annually pay to the State a tax of two and sixty hundredths per cent upon the amount of gross premiums, less return premiums, received upon its business done in this State, other than premiums received for reinsurance and for ocean marine insurance; provided, that there shall be deducted from said two and sixty hundredths per cent upon the gross premiums the amount of any taxes paid by such companies on real estate owned by them in this State. This tax shall be in lieu of all other taxes and licenses, State, county and municipal, upon such companies or their property, except taxes upon their real estate; provided, that when by the laws of any other State or country any taxes, fines, penalties, licenses, fees, deposits of money or of securities, or other obligations or prohibitions are imposed upon insurance companies of this State doing business in such other State or country, or upon their agents therein, in excess of such taxes, fines, penalties, licenses, fees, deposits of money or of securities, or other obligations or prohibitions imposed upon insurance companies of such other State or country, or

Stats 1935,  
p. 1685.

Tax on gross  
premiums  
of insur-  
ance com-  
panies.

upon their agents therein, so long as such laws continue in force, the same obligations and prohibitions of whatsoever kind are hereby imposed upon insurance companies of such other State or country doing business in this State, or upon their agents herein.

Stats 1937,  
p. 339.

Report by  
Insurance  
Commis-  
sioner.

SEC. 2. Section 3666a of the Political Code is hereby amended to read as follows:

3666a. The Insurance Commissioner of this State must on or before the last day of March in each year make and file with the State Board of Equalization a report showing:

1. All companies, domestic and foreign, and all firms, associations, or persons, engaged in the business of insurance in this State within the year ending the thirty-first day of December last preceding.

2. The total amount of the gross premiums, other than premiums for reinsurance and for ocean marine insurance, received from its business in this State by each of said companies, firms, associations and persons during the year ending the thirty-first day of December last preceding.

3. The amount of return premiums paid during said year on business done in this State by each of said companies, firms, associations and persons.

4. The amount of any county and municipal taxes paid during said year by such companies on real estate owned by them in this State, and where said real estate is located.

List of  
companies  
subject to  
additional  
tax.

In making this report he shall list separately all those companies, firms, associations, or persons, which, under that part of Article XIII of the Constitution relating to the taxation of insurance companies on the basis of their gross premiums and under section 3664b of this code, are subject to a tax at a rate higher than two and six-tenths per cent on their gross premiums, or to any additional tax or burden, and shall indicate in each case the amount and character of said tax or burden. Every company, firm, association, or person engaged in the business of insurance in this State shall file with the Insurance Commissioner on or before the first Monday in March in each year such statements in addition to, or in modification of, the statements required to be rendered under the provision of Article 10, Chapter 1, Part 2, Division 1 of the Insurance Code as said Insurance Commissioner shall deem necessary to enable him to prepare the report required of him in this section and said statements shall be verified in the same manner as is provided in said article for the verification of other statements by insurance companies; provided, however, that such statements filed by foreign companies may be verified by the oath of the manager thereof residing within this State.

Annual  
statements.

Stats 1935,  
p. 529.

The Insurance Commissioner, for good cause shown, may extend for a period not exceeding fifteen days the time specified herein for the filing of statements by insurance companies.



SEC. 3. Section 3668 of the Political Code is hereby amended to read as follows: Stats 1935,  
p. 1686.

3668. The State Board of Equalization shall between the first Monday in March and the third Monday before the first Monday in July of each year assess and levy the taxes upon insurance companies as and in the manner provided for in Article XIII of the Constitution of this State, and sections of this code enacted to carry the same into effect. Assessment  
and levy  
of taxes

Clerical errors occurring or appearing in the name of any company, person or association subject to any tax assessed by the board, or in the making or extension of any assessment upon the records of the board which do not affect the substantial rights of the taxpayer, shall not invalidate the assessment.

On the third Monday before the first Monday in July the board shall publish a notice in one daily newspaper of general circulation published at the State capital, in one daily newspaper of general circulation published in the City and County of San Francisco, and in one daily newspaper of general circulation published in the city of Los Angeles, that the assessment of insurance companies has been completed, and that the record of assessments of such companies will be delivered to the Controller on the first Monday in July, and that if any company, person, or association is dissatisfied with the assessment made by the board, it may, at any time before the taxes thereon shall become due and payable, apply to the board to have the same corrected in any particular. The board shall have the power at any time on or before the first Monday in July to correct the record of assessments of such companies and may increase or decrease any assessment therein if in its judgment the evidence presented or obtained warrants such action. Publication  
of notice.

SEC. 4. Section 3668b of the Political Code is hereby amended to read as follows: Stats 1935,  
p 1687.

3668b. The taxes upon insurance companies assessed and levied as provided in Article XIII of the Constitution of this State, and in and by the provisions of this code enacted to carry the same into effect, shall be due and payable on the first Monday in July in each year, and one-half thereof shall be delinquent on the sixth Monday after said first Monday in July at six o'clock p.m., and unless paid prior thereto, fifteen per cent shall be added to the amount thereof, and unless paid prior to the first Monday in February next thereafter at six o'clock p.m., an additional five per cent shall be added to the amount thereof; and the unpaid portion, or the remaining one-half of said taxes shall become delinquent on the first Monday in February next succeeding the day upon which they become due and payable, at six o'clock p.m.; and if not paid prior thereto five per cent shall be added to the amount thereof; provided, that all such taxes which are not fully secured by real property are due and payable at the time the assessment is made. Time of  
payment  
of taxes

Proceedings  
when taxes  
not lien  
on realty.

When in the opinion of the State Board of Equalization any of the taxes provided for in this section are not a lien upon real property sufficient to secure the payment of the taxes, said board may direct the Controller, or his duly authorized representative to collect the same at any time before the first Monday in August thereafter, and the Controller may collect the taxes by seizure and sale of any property owned by the company against whom the tax is assessed.

Sale.

The sale of any property so seized shall be made at public auction and of a sufficient amount of the property to pay the taxes, penalties and costs, and be made after one week's notice of the time and place of such sale given by publication in a newspaper of general circulation published in the county where the property seized is situate, or if there be no newspaper of general circulation published in such county, then by posting of such notice in three public places in such county.

Notice of  
sale.

Said notice shall contain a description of the property to be sold together with a statement of the amount of the taxes, penalties and costs due thereon and the name of the owner of said property and a further statement that unless the taxes, penalties and costs are paid on or before the day fixed in said notice for such sale of said property, or so much thereof as may be necessary to pay said taxes, penalties and costs, said property will be sold in accordance with law and said notice.

Vesting of  
title and  
proceeds of  
sale

On payment of the price bid for any property sold, the delivery thereof with bill of sale executed by the Controller vests the title in the purchaser. The unsold portion of any property so seized, may be left at the place of sale at the risk of the owner. All of the proceeds of any such sale in excess of the taxes, penalties, and costs, must be returned to the owner of the property sold, and until claimed must be deposited with the State Treasurer, as trustee for such owner, and subject to the order of the owner thereof, his heirs, or assigns.

Stats 1935,  
p 1688

Taxes lien  
on property  
and fran-  
chises

SEC. 5. Section 3668e of the Political Code is hereby amended to read as follows:

3668c. The taxes levied upon insurance companies under the provisions of Article XIII of the Constitution of this State and sections of this code enacted to carry the same into effect shall constitute a lien upon all the property and franchises of every kind and nature belonging to such companies, which lien shall attach on the first Monday in March of each year. Every tax herein provided for has the effect of a judgment against the company, and every lien has the effect of an execution duly levied against all property of the delinquent; the judgment is not satisfied nor the lien removed until such taxes, penalties, and costs are paid, or the property sold for the payment thereof. No final discharge in bankruptcy or decree of dissolution shall be made and entered by any court, nor shall the county clerk of any county or the Secretary of State file any such discharge or decree, or file any other docu-

ment by which the term of existence of any corporation shall be reduced or terminated until all taxes, penalties, and costs due on assessments made under the constitutional and statutory provisions aforesaid shall have been paid and discharged.

SEC. 6 Section 3669 of the Political Code is hereby amended to read as follows:

Stats 1937, p. 340.

3669. All taxes assessed and levied upon insurance companies under the provisions of Article XIII of the Constitution of this State and sections of this code enacted to carry the same into effect shall be paid to the State Treasurer, upon the order of the Controller. The Controller must mark the date of payment of any tax on the record of assessments of insurance companies.

Taxes payable to State Treasurer

The Controller must give a receipt to the person paying any tax, or any part of any tax, specifying the amount of the assessment and the tax, or part of tax, paid, and the amount remaining unpaid, if any, with a description of the property assessed; provided, that the receipt for the second half of the taxes may refer, by number or in any other intelligible manner, to the receipt given for the first half of said taxes, in lieu of a description of the property assessed.

Receipt of Controller

Whenever heretofore or hereafter any taxes, penalties, or costs collected and paid to the State Treasurer as hereinbefore provided, shall have been paid more than once, or shall have been erroneously or illegally collected, or when any taxes shall have been collected and paid pursuant to said provisions of law upon a computation erroneously made by reason of clerical mistake of the officers or employees of the State Board of Equalization, or shall have been computed in a manner contrary to law, the State Board of Equalization shall certify to the State Board of Control the amount of such taxes, penalties, or costs, collected in excess of what was legally due, from whom they were collected or by whom paid, and if approved by said Board of Control, the same shall be credited to the company or person to whom it rightfully belongs, at the time of the next payment or payments of taxes following such approval as may be necessary to completely credit said taxes so collected in excess of what was legally due. No claim for such credit shall be so audited, approved, allowed or paid unless presented within four years after the payment sought to be refunded.

Taxes erroneously or illegally collected

In case the assessment of any company is duplicated upon the record of assessments of insurance companies, or there appears thereon the assessment of any company which, for any reason, could not be legally assessed, the State Board of Equalization or the Controller shall certify such fact to the State Board of Control and said Board of Control shall authorize the cancellation of such assessment.

Cancellation.

Whenever heretofore or hereafter any taxes, otherwise properly assessable and collectible, have not been assessed on any premiums otherwise subject to assessment and tax, or whenever any taxes have been overassessed, by reason of error or

Failure to assess or overassessment.

omission on the part of any insurance company or its failure to properly file or execute the statements set forth in section 3666a of this code, or by reason of clerical mistake of the officers or employees of the State Board of Equalization or Insurance Commissioner or of persons in his office, or have been computed in a manner contrary to law, the Insurance Commissioner, after discovery of the failure to properly assess and after determination of the amount involved, shall include in his next annual report pursuant to said section 3666a a statement of the amount of premium and tax subject to assessment which thus failed to be assessed or was over-assessed and the State Board of Equalization may, at the time of the following assessment made pursuant to section 3668 of this code, assess and levy such tax or credit such overassessment of tax and include the amount thereof by way of addition or reduction in the amount otherwise assessed and levied pursuant to said section 3668. Any such addition or reduction may be thus included in the assessment roll within three years and seven days from and after the day when the assessment and levy to be thereby corrected was filed with the State Controller.

When and  
extent  
effective.  
Stats. Ex.  
Sess 1938,  
Res Ch. 16

SEC. 7. This act shall take effect on the effective date of Senate Constitutional Amendment Number 1, proposed at the extraordinary session of the Legislature commencing on the seventh day of March, one thousand nine hundred thirty-eight; provided, however, that, notwithstanding any other provision of law, the provisions of sections 3664b and 3666a of the Political Code as they read on March 1, 1938, shall remain fully operative to the extent that, under the provisions of paragraph (a) of section 14 $\frac{1}{2}$  of Article XIII of the Constitution of this State, the provisions of section 14 of said article govern the taxation of insurance companies and associations

## CHAPTER 21.

*An act to validate bonds of school districts, high school districts and junior college districts of every kind and class and providing for the levy of a tax to pay the same, and declaring the urgency of said act.*

[Approved by the Governor April 14, 1938 Filed with Secretary of State April 14, 1938. In effect immediately.]

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

Validation  
of bonds

SECTION 1. Where in any school district, high school district, or junior college district, of any kind or class, proceedings have been taken for the purpose of voting, issuing and selling, or voting, issuing or selling bonds of such district for any purpose or purposes, all acts and proceedings of the officers of election and of the board of trustees, board of

education, or other governing body of such district, and all acts and proceedings of the board of supervisors of the county within which such district or a part thereof is situated, leading up to and including the issuance of such bonds if they have been heretofore sold and delivered, and all such acts and proceedings heretofore had, although the bonds or a part thereof are not sold or if sold are not yet delivered and paid for, are hereby legalized, ratified, confirmed and validated to all intents and purposes, and the power of such district and of the board or boards of supervisors authorized by law to take any part in issuing or selling bonds of such district to issue such bonds is hereby ratified, confirmed and declared, and bonds heretofore sold and delivered are declared to be and shall be, in the form and manner in which such bonds have been actually issued and delivered, the legal and binding obligations of and against such district and bonds hereafter delivered or sold and delivered are declared to be and shall be legal and binding obligations of such district, and the full faith and credit of such district is hereby declared to be pledged for the prompt payment and redemption of the principal and interest of said bonds.

SEC. 2. For the purpose of paying interest on such bonds Tax levy as it becomes due and the principal thereof at maturity, the assessors, treasurers, boards of supervisors and other officers of the respective counties shall have the same powers and shall perform the same duties as are provided by law relative to the assessment, levy and collection of taxes and custody of funds for the payment of the principal and interest of bonds of school districts, high school districts and junior college districts of every kind and class, respectively.

SEC. 3. This act shall not operate to legalize any bonds Exceptions. which have been sold for less than par, nor legalize any bonds the issuance of which has not received the assent of two-thirds of the qualified electors of such district voting at an election held for the purpose of determining whether such indebtedness should be incurred, nor to legalize any bonds which mature more than forty years from the time of their issuance.

SEC. 4. This act is hereby declared to be an urgency Urgency. measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of the State of California, and shall take effect immediately.

The following is a statement of the facts constituting such necessity: Many school districts within the State of California are without sufficient money with which to purchase school lots or to build or purchase school buildings or to make alterations or additions to the school building or buildings, or to repair, restore or rebuild school buildings damaged, injured or destroyed by fire or other public calamity, or to supply school buildings with furniture or necessary apparatus of a permanent nature. Many school districts have within the

last eight months voted bonds for raising money for such purposes, or some of them, and the proceedings in some of such bond elections were irregular and, by reason of such irregularities, such bonds can not now be sold. The population of some of these districts has increased so rapidly that the present school facilities of such districts are unable to meet the needs of the great increase of pupils in such districts, and the present buildings thereof are in some cases overcrowded, with possible injury to the health of such pupils and with danger to the safety of such pupils in case of fire, and it is necessary and urgent that such bonds and the proceedings therefor be validated immediately in order that said bonds may be sold and said school buildings, lots, equipment and facilities purchased or built at once. Bonds have also been voted to raise money to rebuild or reconstruct, in whole or in part, school buildings destroyed or seriously injured by earthquake, or to strengthen buildings now deemed unsafe in case of earthquake, and such rebuilding or reconstruction or strengthening is required immediately in order to protect the health and safety of school children. Because of irregularities some bonds voted for such purposes can not now be sold, but can be sold and the moneys therefrom be made available at once if this act goes into effect immediately.

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## CHAPTER 22.

*An act to legalize bonds heretofore issued and sold, or to be issued and sold, by municipal corporations where authority for such issuance has been given by a vote of not less than two-thirds of the electors of such municipal corporation voting upon the question of incurring such bonded indebtedness; providing for a levy of taxes to pay the principal and interest of such bonds; and declaring the urgency of this act*

[Approved by the Governor April 14, 1933. Filed with Secretary of State April 14, 1933. In effect immediately.]

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

Validation  
of bonds

SECTION 1. In all cases where any municipal corporation in this State has taken any proceedings for the purpose of authorizing, issuing, or selling bonds of such municipal corporation for any purpose or purposes for which bonds are authorized to be issued or sold by such municipal corporation, and where an election has been held in such municipal corporation to vote upon the proposition of incurring such bonded indebtedness by such municipal corporation, and where at such election so held not less than two-thirds of all the qualified voters voting on such proposition shall have voted in favor of incurring such indebtedness, the power of

such municipal corporation to issue such bonds, all the acts and proceedings of the legislative branch and officers of such municipal corporation, and all the acts and proceedings of such municipal corporation leading up to and including such election and the issuance and sale of such bonds, are hereby legalized, ratified, confirmed and declared valid to all intents and purposes, and all such acts and proceedings heretofore had are hereby legalized, ratified, confirmed and validated to all intents and purposes, and the power of such municipal corporation and of the legislative body thereof to issue and sell said bonds is hereby ratified, confirmed and validated, and said bonds, the proceedings for the issuance of which are hereby ratified, whenever sold shall be the valid and legally binding obligations of and against said municipal corporation, and the faith and credit of such municipal corporation is hereby pledged for the prompt payment and redemption of the principal and interest of said bonds.

SEC. 2. The legislative branch of such municipal corpora- <sup>Tax levy</sup>tion shall, at the time of fixing the general tax levy and in the manner for such general tax levy provided, levy and collect annually each year until said bonds are paid, or until there shall be a sum in the treasury of said municipal corporation set apart for that purpose sufficient to meet all sums coming due for the principal and interest on such bonds, a tax sufficient to pay the annual interest on such bonds and also such part of the principal thereof as shall become due before the time for fixing the next general tax levy; provided, however, that if the maturity of the indebtedness created by the issue of bonds be made to begin more than one year after the date of the issuance of such bonds, such tax shall be levied and collected at the time and in the manner aforesaid annually each year, sufficient to pay the interest on such indebtedness as it falls due, and also to constitute a sinking fund for the payment of the principal thereof on or before maturity. The taxes herein required to be levied and collected shall be in addition to all other taxes levied for municipal purposes and shall be collected at the time and in the same manner as other municipal taxes are collected and be used for no other purpose than for the payment of said bonds and the accruing interest thereon.

SEC. 3. This act shall not operate to legalize any bonds of <sup>Exception-</sup>any municipal corporation which have not, prior to the time of the passage of this act, been authorized by the vote of not less than two-thirds of the qualified electors of such municipal corporation voting on such proposition, or any bonds which have been sold for less than their par value, or any bonds which mature at a date more than forty years from the time of their issuance.

SEC. 4. This act is hereby declared to be an urgency <sup>Urgency</sup>measure within the meaning of section 1 of Article IV of the Constitution of the State of California, and it is deemed necessary for the immediate preservation of the public peace, health

and safety that this act shall, and it shall, go into immediate effect. The following is a statement of the facts constituting such necessity:

Various municipal corporations in this State have taken proceedings to incur bonded indebtedness for the acquisition, construction or completion of necessary public buildings, public works and other public improvements (including sewage disposal systems and systems of adequate water supply) and other proper municipal purposes. Purported irregularities in such proceedings for the incurring of such bonded indebtedness have or will delay the issuance of the bonds or the use of the proceeds thereof for the purposes for which such bonds were voted. Immediate validation of such bonds will permit the sale thereof and the use of the proceeds of such sale or sales at once or in the near future; the construction of such public works will tend to relieve unemployment and preserve the public peace, health and safety; and the speedy installation of such sewage disposal systems and the acquisition or construction of such systems of water supply and other public improvements will also remove dangers to public peace, health and safety arising out of the lack of such sewage disposal systems and of such supplies of water and other public improvements.

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## CHAPTER 23.

*An act to add Chapter IXa, consisting of sections 3857 to 3859.20, inclusive, to Title IX of Part III of the Political Code, relating to property taxation.*

[Approved by the Governor April 14, 1938. Filed with Secretary of State April 14, 1938. In effect June 11, 1938.]

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

**New  
chapter.**

SECTION 1. Chapter IXa, consisting of sections 3857 to 3859.20, inclusive, is hereby added to Title IX of Part III of the Political Code, to read as follows:

### CHAPTER IXa Tax Sales and Tax Deeds.

#### ARTICLE 1. General Provisions.

**Supervision  
by State  
Controller.**

3857. The State Controller has general supervision over the provisions of this chapter and the general procedure for tax sales, tax deeds, and redemptions and, to this end, may make any rules and regulations he deems advisable. All county officials are bound by these rules and regulations of the State Controller.

**Construction**

3857.1. The general provisions hereinafter set forth govern the construction of this chapter.



3857.2 "Redemptioner" means any person entitled to redeem real property from tax sale. "Redemptioner" defined

3857.3. "District attorney" includes county counsel, city attorney, and any other term by which the civil legal adviser of a county or city and county is known. "District attorney" defined.

3857.4. "Taxes" means all taxes and assessments the lien of which are represented in a sale to the State for taxes. It does not include any penalties, interest, or costs. "Taxes" defined

## ARTICLE 2. State's Action to Quiet Title Under Tax Deed.

3859. In any case where real property is deeded to the State for delinquent taxes, the State may quiet its title under the tax deed as prescribed in this article. Title to all real property sold to the State for taxes in any county in the same year may be quieted in one action. Action by State to quiet title

3859.1. In the name of the State, the district attorney of the county where the property is situated may, and, on request of the Controller, shall, bring an action to quiet title to any real property deeded to the State for taxes. Any necessary costs shall be a charge against the county. Commencement

3859.2. The complaint shall name the State as plaintiff and as defendants "all persons claiming any interest in, or lien upon, any of the real property herein described" and shall describe each parcel of real property affected. Contents of complaint

3859.3. At the time of filing the complaint, the district attorney shall file with it an affidavit stating that he does not know and has never been informed of any person claiming any interest in, or lien upon, any of the real property, or, if he does know or has been informed of any such person, then the name and, if known, the address of the person. The affidavit is a part of the judgment roll. Affidavit

3859.4. The summons shall contain the matters required by section 407 of the Code of Civil Procedure and in addition a description of the property and a statement of the object of the action. The defendants shall be designated as in the complaint. Summons

Copies of the original summons may be issued containing a description of any portion of the real property less than the total described in the original complaint and summons.

3859.5. The district attorney shall cause a copy of the summons with the appropriate description to be posted in a conspicuous place on each parcel of property affected. A notice of the pendency of the action, containing substantially the same facts as the summons, shall be recorded with the recorder within the same period and shall be sent to the State Controller and to the governing body of any city or revenue district, the lien of the taxes of which are represented in the deed to the State. Posting summons  
Notice of action.

3859.6. If the affidavit discloses any defendants residing in this State, whose place of residence is known to the district attorney, service on such defendants shall be made Service on defendants with known residence.

(a) by delivering a copy of the summons to the defendant personally, or

(b) by leaving a copy of the summons with a person over the age of sixteen years at the usual place of residence or business of the defendant, or, if there is no person over sixteen years of age present at the time service is made, by posting the copy of the summons in a conspicuous place at the usual place of residence or business, or

(c) if both defendant's usual places of residence and business are not in the county in which the action is brought, the court may direct the copy of the summons to be sent to the defendant by mail to his usual place of residence or business.

Service on  
other de-  
fendants

3859.7. All other defendants shall be served by publication and mailing as provided in sections 412 and 413 of the Code of Civil Procedure, except that

(a) the affidavit need not show due diligence, but need only state that the district attorney does not know and has not been informed of the whereabouts of any defendant who can not be found, and

(b) the publication need be made only once each week for a period of not less than four weeks, instead of two months.

Proof  
required

3859.8. No decree quieting title as to any property shall be granted on default of any defendant, but the court shall require proof of the facts alleged.

Decree, etc

3859.9. On the trial of the action, the court shall determine whether the tax deed or the taxes for any year since the sale to the State are invalid for any reason. If the tax deed and the taxes for all years since the sale are determined to be valid in all respects, the court shall render its final decree quieting the State's title under the tax deed.

Correction  
of invalid  
tax deed  
or taxes

3859.10. If the tax deed or taxes for any year since the sale are determined to be invalid, the court shall order any necessary steps taken to correct any cause of invalidity, except where a cause of invalidity affects the amount of taxes due for the year of sale or any year since the sale. The same officials shall comply with this order as would have taken such steps in the first instance.

Same when  
publishing  
or sending  
notice is  
defective.

3859.11. If a cause of invalidity is omission of, or defect in, publishing or sending any notice, the court shall order a notice published or sent in the manner originally required, stating the facts requiring the new notice and the rights of the redemptioner.

Interlocu-  
tory decree.

3859.12. After all necessary steps ordered by the court have been taken, the court shall render its interlocutory decree requiring the payment, within one year after the interlocutory decree becomes a final judgment, of the sum of the following amounts, computed as of the date of payment:

(a) All taxes which were a lien on the property at the time of sale to the State.

(b) All unpaid taxes of every description which are a lien against the property, for each year since the sale, where the

property appears on the delinquent lists in the permanent custody of the auditor.

(c) For any years not assessed, all unpaid taxes on the value of the property as fixed under section 3817m.

The interlocutory decree shall direct that, if the payment is not so made, a final decree shall be rendered quieting the State's title under the tax deed. This interlocutory decree is an appealable judgment.

3859.13. If a cause of invalidity is in the assessment, computation, levy, or any other proceeding which affects the amount of taxes due for the year of sale or any year since the sale, the court shall determine in its interlocutory decree the correct method of computing the taxes due for the year of the sale and each year since the sale as if the assessment, computation, levy, or other proceeding were valid.

3859.14. The procedure for redemptioners to pay these taxes shall be the same as for a redemption. The auditor's estimate of the amount to be paid shall be based on the amounts shown in the delinquent lists or, if the invalidity affects the amount of taxes due on the property, on the correct method set forth in this judgment of the court.

3859.15. Taxes so paid shall be distributed in the same manner as money received on redemption.

3859.16. If the taxes are paid, or if it is determined that no taxes are due, the court shall render its final decree declaring the tax sale and deed to be void and ordering the proper entries to be made as in the case of a redemption.

3859.17. If the taxes are not paid within the time prescribed, the court shall make its final decree quieting the State's title to the property. After the final decree has become a final judgment, the tax sale and deed are conclusively presumed to be valid.

3859.18. At any time after the entry of the final decree, if the privilege of redemption has not been terminated, redemption may be made in the ordinary manner, except that the auditor's estimate of the amount to be paid shall be based on the correct method of determining the taxes due, as determined by the interlocutory decree.

3859.19. If, in any action under this chapter, it is determined that an invalidity exists in the taxes for any year, and the invalidity affects in the same manner any property, not directly affected by the interlocutory decree, sold to the State for taxes in such year, redemptioners of such other property may redeem their property in full by paying the amount required in section 3859.12. The procedure for this invalidity redemption shall otherwise be the same as an ordinary redemption. The auditor's estimate of the amount to be paid shall, as to the years covered by the action, be based on the interlocutory decree of the court in the action.

3859.20. This invalidity redemption shall be made within one year after the interlocutory decree establishing the invalidity becomes a final judgment. At any time thereafter,

Failure to comply

Determination of correct method of computing taxes

Redemption

Distribution of taxes paid

Final decree. When taxes paid or not due

When taxes not paid

Presumption

Redemption after entry of final decree.

Invalidity redemption of property not directly affected by decree

Time in which to make

if the right or privilege of redemption has not been terminated, redemption may be made in the ordinary manner, except that the auditor's estimate of the amount to be paid shall be based on the correct method of determining the taxes due, as determined by the judgment.

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CHAPTER 24.

Stats. 1937, p. 763, amended. *An act to amend section 18 of an act entitled "An act imposing an excise tax on the use in this State of fuel as defined herein providing for the issuance of permits to the users of such fuel and for the levy, assessment and collection of such tax, prescribing penalties for violations of the provisions hereof and providing that this act shall take effect immediately," approved May 24, 1937, being Chapter 352 of the Statutes of 1937, to appropriate the moneys received in pursuance of said act.*

[Approved by the Governor March 29, 1938. Filed with Secretary of State April 14, 1938. In effect June 11, 1938.]

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

Stats. 1937, p. 766. SECTION 1. Section 18 of the act cited in the title hereof is amended to read as follows:

Deposit of moneys. Sec. 18. All moneys received by the board in pursuance of the provisions of this act shall be transmitted to the State Treasurer and deposited in the State treasury to the credit of the motor vehicle fuel fund. Copies of the schedules covering such transmittals shall be furnished at the same time to the State Controller.

Appropriation. All moneys so deposited in said fund under the provisions of this act are hereby appropriated as follows:

(a) To pay the refunds authorized in this act.

(b) To the State highway fund, as hereinafter provided.

The balance of all moneys deposited in said fund hereunder, after the payment of refunds, shall be transferred by the State Controller to the State highway fund. The amount so transferred to the State highway fund shall be expended for the repair, or reconstruction of, or additions to those bridges on State highways which have been posted for less than legal speeds or weights under the provisions of sections 516 and 715 of the Vehicle Code.

Transfers. On the effective date hereof the State Controller shall transfer to the State highway fund so much of the moneys deposited in the motor vehicle fuel fund hereunder as were received in the State treasury prior to the time of the last quarterly transfer of moneys received under the Motor Vehicle Fuel License Tax Act to the State highway fund. Thereafter the State Controller shall make the transfers provided for hereunder at the same time as the transfers to the State high-

way fund of moneys received under the Motor Vehicle Fuel License Tax Act are made.

## CHAPTER 25.

*An act to amend section 9.18 of the Building and Loan Association Act, relating to insurance, loans, advances of credit and purchases of obligations pursuant to the National Housing Act, declaring the urgency hereof and providing that this act shall take effect immediately.*

Stats 1931,  
p 483,  
amended

[Approved by the Governor April 14, 1938. Filed with Secretary of State April 14, 1938. In effect immediately.]

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

SECTION 1. Section 9.18 of the act cited in the title hereof is hereby amended to read as follows:

Stats. 1935,  
p. 811.

Sec. 9.18. National Housing Act Loans and Insurance. An association (a) either with or without security, may make loans, advance credit, and purchase obligations representing loans and advances of credit, pursuant to Title I of the National Housing Act, as amended, for the purpose of financing repairs, alterations or improvements upon or in connection with existing structures upon real property securing a loan then held by such association, or upon real property owned by such association and sold by such association under contract of sale or leased by such association with or without option to purchase, and for the purpose of financing the building of new structures, provided that such loans for the purpose of financing the building of new structures must be secured by a first mortgage or first trust deed upon fee title to real property, if the Federal Housing Administrator shall insure such association against losses which it may sustain as a result of such loans, advances of credit and purchases made by such association for such purposes, to the extent of ten per cent of the total amount of the loans, advances of credit and purchases made by such association for such purposes on and after the date of the enactment of the National Housing Act Amendments of 1938; (b) may make loans upon the security of improved real property pursuant to the provisions of this section and pursuant to Title II of the National Housing Act, as amended, if the Federal Housing Administrator pursuant to said Title II shall have insured, or shall have made a commitment to insure, such association against losses of principal which it may sustain as a result of such loans; and (c) may secure insurance pursuant to said National Housing Act. No law of this State prescribing the nature, amount or form of security or requiring security upon which loans or advances of credit may be made or prescribing or limiting the period for which loans or advances of credit may be made, shall be deemed

National  
Housing  
Act loans  
and insur-  
ance.

to apply to loans, advances of credit or purchases made pursuant to this section.

Urgency

SEC. 2. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety within the meaning of section 1 of Article IV of the Constitution of the State of California and shall take effect immediately. The facts constituting this necessity are as follows:

The Congress of the United States has passed and the President has signed certain amendments to the National Housing Act authorizing the insurance of loans and advances of credit for the purpose of financing the construction, improvement or repairs of homes and other structures on much more favorable terms than have heretofore been available.

In order to allow building and loan associations to make loans on these more favorable terms and in order to make available to the residents of the State of California the full advantages of the National Housing Act, the public peace, health and safety require that this act go into immediate effect. If the residents of the State of California are able to obtain building loans on the favorable terms offered under the National Housing Act it will stimulate employment in many major industries, thereby reducing the burden of public relief

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## CHAPTER 26.

*An act to submit to the people at the general election in November, one thousand nine hundred thirty-eight, amendments proposed to the Constitution of the State of California by the extraordinary session of the Legislature, to take effect immediately.*

[Approved by the Governor April 14, 1938. Filed with Secretary of State April 14, 1938. In effect immediately.]

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

Submission  
of pro-  
posed con-  
stitutional  
amendments  
to people.

SECTION 1. Constitutional amendments proposed by the Legislature and adopted in the extraordinary session commencing on the seventh day of March, one thousand nine hundred thirty-eight, shall be submitted to the people of the State of California at the general election to be held on the eighth day of November, one thousand nine hundred thirty-eight.

Arguments.

SEC. 2. (a) The author of each proposed amendment, or, in case the author declines, one member of the same house voting in favor of the proposed constitutional amendment, and (b) one member of the same house voting against the proposed amendment, if one there be, shall be appointed by the presiding officer of the house to draft the arguments for and against the proposed amendment. Each argument shall not

be more than five hundred words in length and shall be submitted to the Secretary of State within sixty days after the adjournment of the extraordinary session.

SEC. 3. The provisions of sections 1195a, 1195b, and 1197 of the Political Code, so far as they are applicable, are incorporated herein by reference and made a part of this act for submission of the proposed amendments to the people with the same force and effect as if the proposed amendments were expressly mentioned in these sections of the Political Code

Incorporation of Political Code sections.

SEC. 4. This act is hereby declared to be an urgency measure necessary for the immediate preservation of the public peace, health and safety and shall, therefore, under the provisions of section 1 of Article IV of the Constitution, take effect immediately. The facts constituting such necessity are as follows:

Urgency

The Legislature in extraordinary session has considered and proposed to the people certain amendments to the Constitution relating to the levying of taxes, the retirement of judges, the administration of unemployment relief, and other matters vitally affecting the welfare of the State and its citizens. In order that the people may be informed of the contents and of the arguments for and against these proposed constitutional amendments, it is necessary that this act take effect immediately. Thus this information can be prepared for the voters prior to the election at which these constitutional amendments are to be submitted, and the right to vote may be exercised intelligently with full knowledge of the facts, thereby effectively safeguarding public peace, health and safety.

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CONCURRENT AND JOINT RESOLUTIONS  
AND  
CONSTITUTIONAL AMENDMENTS

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# CONCURRENT AND JOINT RESOLUTIONS AND CONSTITUTIONAL AMENDMENTS

## CHAPTER 1.

*Senate Concurrent Resolution No. 1—Relative to the respect and esteem of the Legislature for the late Senator Harry A. Chamberlin.*

[Filed with Secretary of State March 12, 1938.]

WHEREAS, The members of the Legislature have learned with profound regret of the death of former Senator Harry A. Chamberlin who, on February 23, 1938, passed from among us; and

Death of  
Senator  
Harry A.  
Chamberlin

WHEREAS, Senator Chamberlin was a patriotic and distinguished citizen of the State of California, an aggressive and competent member of the legal profession and one who battled fearlessly for those causes which appealed to him to be worthy; and

WHEREAS, Senator Chamberlin served in the Assembly of the State of California in the year 1915 and was elected to the Senate the following year, serving continuously for 12 years as Senator from Los Angeles County; and

WHEREAS, An all wise providence saw fit to remove Senator Chamberlin at the prime of life, during a period of productiveness and efficient labors on his part; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Legislature deeply deploras the passing of Senator Chamberlin and tenders to his family this expression of the friendliness and high esteem which the members of the Legislature had for him; and be it further

*Resolved,* That when the Legislature adjourns at the end of this special session it do so out of respect to the memory of the late Harry A. Chamberlin; and be it further

*Resolved,* That the Secretary of the Senate is directed to have copies of this resolution suitably engrossed and to present the same to members of Senator Chamberlin's family.

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## CHAPTER 2.

*Senate Concurrent Resolution No 4—Approving certain amendments to the charter of the county of San Mateo, State of California.*

[Filed with Secretary of State March 12, 1938.]

WHEREAS, The county of San Mateo, State of California, has at all times herein mentioned been and now is a body

County of  
San Mateo  
Charter  
amendments

politic and corporate, and is now and has been since the twenty-eighth day of January, 1933, organized and acting under and by virtue of a charter adopted under and by virtue of section 7½ of Article XI of the Constitution of the State of California, which charter was duly ratified by the qualified electors of said county at an election held for that purpose on the eighth day of November, 1932, and approved by the Legislature of the State of California, and filed in the office of the Secretary of State on the twenty-eighth day of January, 1933; and

WHEREAS, Proceedings have been had for the proposal, adoption and ratification of certain amendments to said charter set out in the certificate of the chairman of the board of supervisors and the county clerk and ex officio clerk of the board of supervisors of the county of San Mateo, to wit:

State of California, }  
County of San Mateo. } ss.

CERTIFICATE OF COUNTY CLERK OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND CHAIRMAN OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AS TO THE ADOPTION AND RATIFICATION OF CERTAIN AMENDMENTS TO THE CHARTER OF SAID COUNTY OF SAN MATEO, SUBMITTED TO THE QUALIFIED ELECTORS OF SAID COUNTY OF SAN MATEO ON THE TWENTY-SECOND DAY OF JUNE, 1937.

#### PREAMBLE

BE IT KNOWN THAT:

WHEREAS, the County of San Mateo, State of California, has, at all times mentioned herein, been and now is a body politic of the State of California, and is now, and has been since the 28th day of January, 1933, organized and acting under and by virtue of a charter adopted pursuant to the provisions of Section 7½ of Article XI of the Constitution of the State of California, which charter was duly ratified by the qualified electors of the said County at an election held for that purpose on the 8th day of November, 1932, and approved by the Legislature of the State of California, and filed in the office of the Secretary of State on the 28th day of January, 1933; and

WHEREAS, pursuant to the provisions of Section 7½ of Article XI of the Constitution of said State, a petition signed by ten per centum of the qualified electors of the said County of San Mateo, computed upon the total number of votes cast in said County for all candidates for governor at the last general election at which a governor was elected, was filed in the

office of the County Clerk of the said County on the 16th day of March, 1937, petitioning the Board of Supervisors thereof to submit certain proposed amendments to the charter of the said County of San Mateo, which amendments were set forth in full in said petition, and thereupon said petition was forthwith examined and certified by the County Clerk as being signed by the requisite number of qualified electors of the said County of San Mateo, and which said petition was presented to the Board of Supervisors by the said County Clerk upon the 7th day of April, 1937, and thereafter, to-wit: on the 14th day of April, 1937, the said Board of Supervisors did order the issuance and publication of the said petition, together with an alternative proposition, to be voted upon separately without prejudice to the said petition; that the said petition and the said alternative proposition were published in the Redwood City Tribune, a daily newspaper of general circulation printed, published and circulated in said County of San Mateo, on April 17, 19, 20, 21, 22, 23, 24, 26, 27, and 28, 1937; that pursuant thereto, the said Board of Supervisors did pass an ordinance on the 2nd day of June, 1937, calling a special election to be held on the 22nd day of June, 1937, for the submission of certain proposed amendments to the charter contained in the said petition, and the said alternative proposition; that the said ordinance did set out the purpose and time of the said special election and did establish the election precincts and designated the polling places and the names of the election officers of each precinct; that the said ordinance was published in the said Redwood City Tribune on the 8th, 9th, 10th, 11th and 12th days of June, 1937; and

WHEREAS, Said special election, at which said proposed amendments and said alternative proposal were submitted to the qualified electors of said County, was not less than thirty (30) nor more than sixty (60) days after publication of said proposed amendments and said alternative proposal, as aforesaid; and

WHEREAS, Immediately subsequent to said publication the said Board of Supervisors duly prescribed the form and title to be printed on the election ballot to be used at said special election for the submission of the said proposed amendments and the said alternative proposal; and

WHEREAS, Subsequent to said publication, and at least twenty-five days prior to June 22nd, 1937, the County Clerk of said County duly filed in his office a notice of election in which, among other things, and in addition to all other matters required by law, it was stated that said proposed amendments and said alternative proposal would be submitted to the qualified electors of said County at said special election on June 22nd, 1937, and said Clerk caused a copy of said notice to be posted in a prominent place in his office; and

WHEREAS, At said special election held June 22, 1937, as aforesaid, said proposed amendments and said alternative

proposal were duly submitted to the vote of the qualified electors in said County; and

WHEREAS, The ballot contained all matters and things required by law to be stated and contained thereon, and said ballot in all respects duly complied with law; and the said proposed amendments and said alternative proposal were duly and regularly submitted to said qualified electors in strict compliance with law; and

WHEREAS, The returns of said special election held in the County of San Mateo on the 22nd day of June, 1937, at which election said proposed amendments and said alternative proposal were duly submitted to the vote of the qualified electors of said County, were duly and regularly canvassed by the Board of Supervisors of the said County of San Mateo on the 30th day of June, 1937, and it appeared therefrom and was so declared by the said Board of Supervisors that six thousand eight hundred and twenty-two (6,822) votes were cast in favor of said proposed amendments, or Proposition No. 1, and five thousand three hundred twenty-six (5,326) votes were cast against said proposed amendments, or Proposition No. 1, and that five thousand three hundred eighty-five (5,385) votes were cast in favor of said alternative proposal, or Proposition No. 2, and six thousand three hundred fifty-eight (6,358) votes were cast against said alternative proposal, or Proposition No. 2; and it appeared therefrom, and was declared by said Board of Supervisors, that a majority of the qualified electors of the County of San Mateo voting thereon at said special election voted in favor of said proposed amendments, or Proposition No. 1, and against said alternative proposal, or Proposition No. 2, and said Board of Supervisors thereupon ordered and declared that said proposed amendments, or Proposition No. 1, was ratified; and

WHEREAS, Said amendments so ratified by the electors of the said County of San Mateo at said special election held on June 22nd, 1937, is now submitted to the Legislature of the State of California, for approval or rejection as a whole, without power of alteration or amendment in accordance with the provisions of Section 7½ of Article XI of the Constitution of the State of California:

Certificate

NOW, THEREFORE, the undersigned HUGH H. SMITH, Chairman of the Board of Supervisors of the County of San Mateo, State of California, and WILLIAM H. AUGUSTUS, County Clerk and Ex-officio Clerk of the Board of Supervisors, of the County of San Mateo, State of California, authenticating their signatures with the official seal of the said Board of Supervisors of the County of San Mateo, do hereby certify that said amendments to said charter of said County so ratified by the majority of the electors voting thereon at said special election held on the 22nd day of June, 1937, as submitted to said electors, is in words and figures as follows, and is and shall, if so approved by said Legislature, be in the words and figures following, to-wit:

“I.

“Section 2 of article III of said charter is hereby amended to read as follows:

Section 2. Additional Powers and Duties. In addition to the other powers and duties herein provided, it shall be the duty of the board of supervisors, and said board shall have the power:

Board of supervisors  
Additional powers and duties

(a) To appoint, remove or suspend from office, in the manner and method herein provided, all appointive county officers, boards and commissions, whose appointments, removals or suspensions are not otherwise provided for by this charter.

(b) To confirm, in the manner and method herein provided, the appointments of all officers who, under the provisions of this charter, are appointed by the county executive.

(c) To provide, by ordinance, for the compensation of elective officers and appointive officers, in the manner and method herein provided.

(d) To provide, by ordinance, and therein to fix and regulate, the appointment and number of assistants, deputies, clerks, attaches, and other persons to be employed, from time to time, in the several offices of the county, and therein to prescribe and regulate the powers, duties, qualifications and compensation of such persons, the times at which, and the terms for which, they shall be appointed, and the manner of their appointment and removal; provided, however, that the provisions of such ordinance or ordinances, so to be enacted by the board of supervisors, shall in all respects conform to and comply with all other provisions of this charter with respect to the manner and method of appointment and removal of such assistants, deputies, clerks, attaches and other employees, their powers, duties, qualifications, compensation, the times of their appointment and the terms for which they shall be appointed.

(e) To provide, upon recommendation of the county executive, for necessary court rooms and other office facilities and services for all State officers assigned for duty in this county.

(f) To provide, by ordinance, upon the recommendation of the county executive, for the creation of offices other than those required by the Constitution and laws of the state, and, upon the like recommendation, for the election or appointment of persons to fill the same, for the manner of such appointment, for the times at which and the terms for which such persons shall be so elected or appointed, and to prescribe their duties, and to fix their compensations.

(g) To provide, by ordinance, upon the recommendation of the county executive, for the creation of offices hereafter created by the Constitution or by general law, and, upon the like recommendation, for the election or appointment of persons to fill the same, for the manner of such appointment, for the times at which and the terms for which such persons shall

be so elected or appointed, and to prescribe their duties, and to fix their compensation.

(h) To provide for the consolidation of any county office with any other county office, and for the segregation of consolidated county offices, provided, that no county offices which shall be consolidated under a specific provision of this charter may later be segregated by the board of supervisors under this general provision.

(i) To request from the State a proposal of an annual contract for forest-fire protection services for the area of the county outside of the incorporated municipalities and established fire districts. If the terms of such proposal, which shall cover in detail the method and manner of providing fire protection for the areas herein mentioned, are satisfactory and a contract can be entered into for this service for a sum not greater than the annual appropriation made by the board of supervisors for said fire protection, then said contract with the State shall be executed. If, however, a satisfactory contract can not be executed, then the board of supervisors shall appoint a fire warden together with such necessary personnel as is required, fixing their salaries and duties for the purpose of furnishing adequate fire protection for said areas.

(j) To provide for a special temporary or permanent working force under the county executive, whose members shall be qualified to perform duties in any one or more of the county offices or functions within which their services may from time to time be required, and to prescribe, in the administrative code herein provided for, rules and regulations not in conflict with general law or the provisions of this Charter, with respect thereto.

(k) To require, if deemed proper, any county or township officer or employee, before or after entering upon the duties of his office, or service, to give bond for the faithful performance thereof, in such penal sum as may be fixed by the board of supervisors.

(l) To provide, publish and enforce, a complete code of rules, not inconsistent with general law or this Charter, prescribing in detail the method of procedure of the board of supervisors; also, to enact an administrative code of rules specifying in detail the powers, duties, methods and procedure of all officers and institutions.

(m) To require periodic or special reports of expenditures and costs of operation, to examine all records and accounts, to inquire into the conduct of any office, and to require attendance of any officer of the county at any meeting of the board of supervisors for purposes of information.

(n) To provide for the assumption of and discharge by county officers of such of the functions of municipalities and of special districts which now are, or hereafter may be, authorized by general laws, or in the case of chartered municipalities by provisions of the charters thereof.

(o) To provide for any temporary advisory commission to serve, with or without compensation, and assist the board of supervisors, or any county officer, in the conduct of county functions.

(p) To provide for the fixing of the compensation of such fish and game wardens, probation and other officers as may be provided by general law.

(q) To perform such other duties as may be prescribed or required by this Charter, or by general law.

Section 3. Regular Meetings. The board of supervisors shall convene, in regular session, at least twice in each calendar month, and said board shall, by ordinance, provide for such holding of its regular meetings. Regular meetings

## II.

Section 1 of Article IV of said Charter is hereby amended to read as follows:

Section 1. Creation of Office Qualifications. The office of county executive is hereby created, and the person holding such office shall be the chief executive officer of the county. He shall be a legal resident of San Mateo County. He shall be elected for a term of four (4) years in the manner and at the time provided by law for the election of other county officers. County executive

## III.

Section 2 of Article IV of said Charter is hereby repealed. Repeal

## IV.

Section 3 of Article IV of said Charter is hereby repealed. Repeal

## V.

Section 4 of Article IV of said Charter is hereby repealed. Repeal

## VI.

Section 5 of Article IV of said Charter is hereby repealed. Repeal

## VII.

Section 6 of Article IV of said Charter is hereby repealed. Repeal

## VIII.

Section 7 of Article IV of said Charter is hereby repealed. Repeal

## IX.

Section 2 of Article VI of said Charter is hereby amended to read as follows:

Elective  
county  
officers.

Section 2. Elective County Officers. Elective county officers, other than the members of the Board of Supervisors, shall be a county executive, an assessor, a county clerk, a controller, a district attorney, a sheriff, a superintendent of schools, a coroner, an engineer, a recorder, a tax collector and a treasurer.

The tax collector shall be ex-officio license collector; the coroner shall be ex-officio public administrator; the engineer shall be a licensed land surveyor and a registered civil engineer of the State of California.

## X.

Appoint-  
ments by  
county  
executive

Section 5 of Article VI of said Charter is hereby amended to read as follows:

Section 5. County Executive Appointments. The county executive shall, subject to confirmation by the board of supervisors, appoint a building inspector, a board of public health and welfare, a director of health and welfare, a purchasing agent and a recreation commission.

If the board of supervisors shall, within thirty days after submission by the county executive of a nominee for confirmation by said board, fail to take action upon same, said failure so to act shall be conclusively deemed to be, and shall operate as, a confirmation of said board.

## XI.

Section 7 of Article VI of said Charter is hereby amended to read as follows:

Terms of  
office.

Section 7. Tenure of Office. Terms of all officers, boards and commissions, unless otherwise herein or by law provided, shall be four years. All officers, and members of boards and commissions first to be appointed under this Charter, other than the county executive, shall hold office for a term to end at noon on the first Monday after the first day of January, 1935. Thereafter all officers, and members of boards and commissions, except members of the board of supervisors, shall hold office for the term of four years, and until their successors shall have qualified, unless sooner removed in the manner provided by law: provided, however, that the members of all such boards and commissions whose terms shall commence on the first Monday after the first day of January, 1935, as hereinbefore provided, shall, upon the organization of each such board and commission, proceed to classify themselves by lot so that a simple majority of the membership shall hold office for the term of two years only, and the remainder of said membership shall hold office for the full term of four years. Except where otherwise provided, every board and commission shall consist of five members.

Former  
appointive  
officers

Provided, further, however, that the terms of all county officers which were appointive prior to the time this amend-



ment takes effect and which officers are made elective by Section 2 of Article VI of this Charter, as amended, shall expire upon the effective date of this amendment, provided, however, that each such officer shall continue to hold office until his successor has been elected and has qualified.

And provided, further, that within twenty days after the approval of this amendment by the legislature, the board of supervisors shall order the holding of a special election for the purpose of electing a county executive, a coroner, an engineer, a recorder, a tax collector, and a treasurer as herein provided. Said election shall be held not less than twenty days, nor more than sixty days, after the date on which said order is made. Candidates for election for said offices shall be nominated by petition substantially in the same manner as may be provided by general law for the nomination, by petition of electors, of candidates for county offices to be voted for at general elections. Said election shall be conducted and held and the returns thereof canvassed and the result thereof declared substantially in the manner provided by general law, not in conflict with this Charter, for the election of county officers. Within ten days after said election the board of supervisors shall certify and declare the results of said election. The officers elected at said election shall qualify as provided by general law and this Charter and shall assume their respective offices on the fourth Monday after the day on which the board of supervisors so certifies and declares the results of said election."

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the official seal of said Board of Supervisors of the County of San Mateo, State of California, this 15th day of February, 1938.

[SEAL]

H. H. SMITH,  
Chairman of the Board of Supervisors  
of the County of San Mateo, State  
of California.

ATTEST:

W. H. AUGUSTUS,  
County Clerk and Ex-officio Clerk  
of the Board of Supervisors of  
the County of San Mateo, State  
of California.

And

WHEREAS, The proposed charter amendments are now submitted to the Legislature of the State of California for approval or rejection as a whole without power of alteration or amendment, in accordance with section 7½ of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved, by the Senate of the State of California, the Assembly thereof concurring, a majority of all the members of each house elected thereto concurring therein, That the aforementioned proposed amendments to the charter of the county*

of San Mateo, State of California, as proposed to and ratified by the electors of the county as hereinbefore set forth, be and the same are hereby approved as a whole, without amendment or alteration. for and as amendments to and as a part of the charter of the county of San Mateo.

### CHAPTER 3.

*Assembly Concurrent Resolution No. 3—Approving amendment to the charter of the City and County of San Francisco voted for and ratified by the electors of said City and County of San Francisco at an election held therein on the second day of November, 1937.*

[Filed with Secretary of State March 12, 1938]

Charter  
amendment  
City and  
County of  
San Fran-  
cisco

WHEREAS, The City and County of San Francisco, State of California, contains a population of over five hundred thousand inhabitants, and has been ever since the eighth day of January, in the year one thousand nine hundred thirty-two, and is now organized and acting under a freeholders' charter adopted under and by virtue of section 8 of Article XI of the Constitution of the State of California, which charter was duly ratified by the qualified electors of said city and county at an election held for that purpose on the twenty-sixth day of March, one thousand nine hundred thirty-one, and approved by the Legislature of the State of California and filed in the office of the Secretary of State on the fifth day of May, one thousand nine hundred thirty-one (Statutes of 1931, page 2973); and

WHEREAS, The legislative authority of said city and county, namely the board of supervisors thereof, duly proposed to the qualified electors of the City and County of San Francisco one (1) amendment to the charter of said City and County of San Francisco by the submission of one (1) proposal, entitled as follows, to wit:

#### CHARTER AMENDMENT NO. 1.

Describing and setting forth a proposal to the qualified electors of the City and County of San Francisco, State of California, to amend the Charter of the City and County of San Francisco, by adding a new section thereto to be known as Section 147.1, relating to public inspection of civil service examination papers, questions and answers.

WHEREAS, Said legislative authority, in accordance with the provisions of Section 8 of Article XI of the Constitution of the State of California, and within fifteen (15) days of said proposal, caused said proposed amendment to said Charter to be published, once in the official newspaper of the said City and County of San Francisco and each edition thereof issued

or published on the date of said publication, to-wit, in "The San Francisco News", a newspaper of general circulation in the City and County of San Francisco and the official newspaper of said City and County; and

WHEREAS, Said legislative body caused copies of said Charter amendment to be printed in convenient pamphlet form and in type of not less than ten point, and caused copies thereof to be mailed to each of the qualified electors of said City and County of San Francisco, and until the day fixed for the election upon said Charter amendment, advertised in said "The San Francisco News", a newspaper of general circulation in the City and County of San Francisco, a notice that copies of said Charter amendment could be had upon application therefor at the office of the Board of Supervisors; and

WHEREAS, The said legislative authority of said City and County ordered placed upon the ballot at a general municipal election to be held in the City and County of San Francisco on the Second day of November, 1937, the said proposal to amend the Charter of the City and County of San Francisco; and

WHEREAS, Said general municipal election was held in said City and County of San Francisco on the Second day of November, 1937, which day was more than forty days and less than sixty days from the completion of the publication of said proposed charter amendment for one day in said "The San Francisco News" and each edition thereof as hereinbefore set forth; and

WHEREAS, On the 8th day of November, 1937, the Board of Supervisors, in regular meeting assembled, by resolution duly adopted by said Board of Supervisors and entered in its Minutes of the meeting of said day, directed that a canvass of said general municipal election held on the 2nd day of November, 1937, be made and immediately begun by the Registrar of Voters of said City and County, it appearing to said Board of Supervisors at said time and at the date of said meeting that all the returns for said general municipal election from each election precinct in the City and County of San Francisco in which polls were opened had been theretofore received by the Registrar of Voters; and

WHEREAS, Pursuant to said resolution, the said Registrar of Voters did duly canvass all of the returns from each of the election precincts in the City and County of San Francisco in which polls were opened for voting on the said 2nd day of November, 1937, and did thereafter, and upon the completion of said canvass, report and make to the Board of Supervisors of said City and County of San Francisco his official statement of the votes cast at said general municipal election held on Tuesday, the 2nd day of November, 1937, showing the vote cast for each person voted for at said general municipal election as well as the vote cast for and

against each proposition voted upon at such election, and declaring the result thereof; and

WHEREAS, From the said canvass and official statement made by said Registrar of Voters of the vote cast at said general municipal election so held on the 2nd day of November, 1937, it appeared that the proposed amendment to the said Charter of the City and County of San Francisco was ratified by a majority of the electors of said City and County voting thereon, said amendment being Charter Amendment No. 1 submitted to the electors to be voted upon on November 2, 1937; and said Board of Supervisors did, by resolution duly adopted on the 22nd day of November, 1937, so declare; and

WHEREAS, The said Charter Amendment so ratified by the electors of the City and County of San Francisco is now submitted to the Legislature of the State of California for approval or rejection as a whole, without power of alteration or amendment in accordance with the provisions of Section 8, Article XI of the Constitution of the State of California, which said amendment is in the words and figures following, to-wit:

#### CHARTER AMENDMENT No 1

##### INSPECTION OF CIVIL SERVICE EXAMINATION PAPERS

Describing and setting forth a proposal to the qualified electors of the City and County of San Francisco, State of California to amend the Charter of the City and County of San Francisco, by adding a new section thereto to be known as Section 147.1, relating to public inspection of civil service examination papers, questions and answers.

The Board of Supervisors of the City and County of San Francisco hereby submits to the qualified electors of the City and County at the general election to be held on the 2nd day of November, 1937, in the City and County of San Francisco, a proposal to amend as herein set forth in the Charter by adding thereto a new section to be known as Section 147.1, relating to public inspection of civil service examination papers, questions and answers.

##### INSPECTION OF CIVIL SERVICE EXAMINATION PAPERS

Inspection of  
civil service  
examination  
papers.

Section 147.1 After the Civil Service Commission has prepared and published or posted a list of eligibles, arranged in order of relative excellence, as the result of any examination held by said commission, said list shall not be finally approved for two weeks after the date of the publication or posting of said list, during which time all examination papers, questions and answers, and all marks and grades given on any test given in said examination shall be open to public inspection and copying by any citizen, provided that the identity of the examiner giving any mark or grade in an

oral test shall not be disclosed; and provided further that the Commission may require the payment of a fee of not more than One Dollar (\$1.00) for the inspection of all of the papers relating to the examination of any one person participating in said examination; and provided further that a participant may examine his own examination papers without charge. The Civil Service Commission shall have power to correct any error which in its judgment may have occurred in the rating of any participant in said examination, and to alter said published or posted list of eligibles and to make changes accordingly therein which in the opinion of said commission may be justified by any re-examination of said papers, questions, answers, marks or grades given in said examination; provided that said changes shall be made within a period of not more than sixty (60) days after the date of the publication or posting of said list.

ORDERED SUBMITTED—Board of Supervisors, San Francisco, September 13, 1937.

Ayes: Supervisors Brown, McSheehy, Meyer, Ratto, Reilly, Roncovieri, Schmidt, Shannon, Uhl

Absent: Supervisors Colman, Mead.

I hereby certify that the foregoing charter amendment was ordered submitted by the Board of Supervisors of the City and County of San Francisco

J. S. DUNNIGAN, Clerk.

State of California  
 City and County of San Francisco } ss.

This is to certify that we, WARREN SHANNON, President of the Board of Supervisors of the City and County of San Francisco, and J S DUNNIGAN, Clerk of the Board of Supervisors of said City and County, have compared the foregoing proposed and ratified amendment to the Charter of the said City and County of San Francisco with the original proposal, submitting the same to the electors of said City and County at a general municipal election held on Tuesday, the Second day of November, One Thousand Nine Hundred Thirty-seven, and find that the foregoing is a full, true, correct and exact copy thereof, and we further certify that the facts set forth in the preamble preceding said amendment to said Charter is true

IN WITNESS WHEREOF, we have hereunto set our hands and caused the same to be authenticated by the seal of the



City and County of San Francisco, this 24th day of February, One Thousand Nine Hundred and Thirty-Eight.

[SEAL]

WARREN SHANNON,  
President of the Board of Supervisors of the City and County of San Francisco.  
J. S. DUNNIGAN,  
Clerk of the Board of Supervisors of the City and County of San Francisco.

now, therefore, be it

Approval

*Resolved by the Assembly of the State of California; the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein, That said amendment to the charter of the City and County of San Francisco, as proposed to, and adopted and ratified by the electors of said city and county, and as hereinbefore fully set forth, be and the same is hereby approved as a whole without amendment or alteration, for and as an amendment to, and as part of the charter of the City and County of San Francisco.*

#### CHAPTER 4.

*Assembly Concurrent Resolution No. 4—Approving amendments to the charter of the city of Santa Monica, State of California, ratified by the qualified electors of said city at a general municipal election held therein on the seventh day of December, 1937.*

[Filed with Secretary of State March 12, 1938.]

Charter  
amendments:  
City of Santa  
Monica.

WHEREAS, The city of Santa Monica in the county of Los Angeles, State of California has been ever since the year 1907, and now is, organized and acting under a freeholders' charter, adopted under and by virtue of section 8, Article XI of the Constitution of the State of California, which charter was duly ratified by a majority of the qualified electors of said city at a special election held for that purpose on the twenty-eighth day of March, 1906, and approved by the Legislature of the State of California, February, 1907, (Statutes of 1907, page 1007); and

WHEREAS, Proceedings have been had for the proposal, adoption and ratification of certain amendments to the charter of said city of Santa Monica as set out in the certificate of the commissioner of public safety, ex officio mayor and commissioner of finance, ex officio city clerk and ex officio clerk of the city council of the city of Santa Monica, as follows, to wit:

CERTIFICATE OF ADOPTION BY THE QUALIFIED ELECTORS OF THE CITY OF SANTA MONICA AT A GENERAL MUNICIPAL ELECTION HELD THEREIN ON THE SEVENTH DAY OF DECEMBER, 1937, OF CERTAIN AMENDMENTS TO THE CHARTER OF THE CITY OF SANTA MONICA, STATE OF CALIFORNIA.

STATE OF CALIFORNIA,  
COUNTY OF LOS ANGELES, } ss.  
CITY OF SANTA MONICA. }

WHEREAS, the City of Santa Monica, in the County of Los Angeles, State of California, has been ever since the year 1907, and now is, organized and acting under a Freeholders' Charter, adopted under and by virtue of Section 8 Article XI of the Constitution of the State of California, which Charter was duly ratified by a majority of the qualified electors of said City at a special election held for that purpose on the 28th day of March, 1906, and approved by legislature of the State of California, February, 1907, (Statutes of 1907, page 1007); and

WHEREAS, the legislative body of said City, namely the City Council of the City of Santa Monica, did, pursuant to the provisions of Section 8, Article XI of the Constitution of the State of California, by ordinance adopted October 26, 1937, being Ordinance No. 653 (Commissioners' Series), entitled: "AN ORDINANCE OF THE CITY OF SANTA MONICA PROPOSING AMENDMENTS TO THE CHARTER OF THE CITY OF SANTA MONICA AND PROVIDING FOR THE SUBMISSION OF THE SAME TO THE QUALIFIED ELECTORS THEREOF FOR ADOPTION AND RATIFICATION AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON THE SEVENTH DAY OF DECEMBER, 1937", duly proposed to the qualified electors of the City of Santa Monica amendments to the Charter of said City, being therein designated as proposed charter amendments, and did order that said amendments be submitted to said qualified electors at the general municipal election to be held on the 7th day of December, 1937, which date was fixed as a date for holding said election; and

WHEREAS, said proposed Charter Amendments were, and each of them was, on the 27th day of October, 1937 duly published in the Evening Outlook, and in each edition thereof during the day of publication, a daily newspaper of general circulation, printed, published and circulated in the City of Santa Monica, and designated by said Council as the official paper for that purpose; and which said paper is and was at all times herein mentioned the official paper of the City of Santa Monica; and

WHEREAS, said proposed amendments were printed in convenient pamphlet form in type of not less than ten-point and copies thereof were mailed to each of the qualified electors of the City of Santa Monica; and from October 27, 1937, to December 6, 1937, both inclusive, a notice was published in said Evening Outlook, the newspaper aforementioned, that said copies could be had upon application therefor at the office of the City Clerk of said City, and said proposed amendments in such pamphlet form were in fact available at the office of said City Clerk; and

WHEREAS, the said Council of said City did, by ordinance duly adopted on the 1st day of November, 1937, being Ordinance No 655 (Commissioners' Series), entitled: "AN ORDINANCE CALLING A GENERAL MUNICIPAL ELECTION UPON THE 7th DAY OF DECEMBER, 1937. TO BE HELD IN THE CITY OF SANTA MONICA, CALIFORNIA FOR THE PURPOSE OF ELECTION OF OFFICERS; THE SUBMISSION OF PROPOSED AMENDMENTS TO THE CHARTER OF THE CITY OF SANTA MONICA UNDER THE PROVISIONS OF SECTIONS 8 AND 8½ OF ARTICLE XI OF THE CONSTITUTION OF THE STATE OF CALIFORNIA; AND THE SUBMISSION OF SUCH OTHER MATTERS AS MAY BE LEGALLY SUBMITTED AT SUCH AN ELECTION; AND TO BE HELD IN SAID CITY OF SANTA MONICA AND THAT PORTION OF THE CITY OF SANTA MONICA SCHOOL DISTRICT AND OF THE SANTA MONICA HIGH SCHOOL DISTRICT OF LOS ANGELES COUNTY, LYING OUTSIDE OF THE CORPORATE LIMITS OF THE CITY OF SANTA MONICA FOR THE PURPOSE OF ELECTING MEMBERS OF THE BOARD OF EDUCATION; ESTABLISHING THE PRECINCTS AND POLLING PLACES FOR SAID ELECTION, AND APPOINTING OFFICERS OF SAID ELECTION", order the holding of a general municipal election in said City of Santa Monica on the 7th day of December, 1937, which said date was more than forty (40) days and less than sixty (60) days after the completion of the publication of said proposed amendments as aforesaid; which said ordinance was signed by the Mayor of said City on the said 1st day of November, 1937, and was published on the 2nd day of November, 1937, in said newspaper, the Evening Outlook; and

WHEREAS, said general municipal election was held in said City of Santa Monica on the 7th day of December, 1937, which date was more than forty (40) days and less than sixty (60) days after said proposed amendment to said Charter had been published in the Evening Outlook; and

WHEREAS, thereafter the said Council of said City of Santa Monica had duly canvassed the returns of said election, and did on the 8th day of December, 1937, duly and regularly declare the canvass of the returns of said election; and



WHEREAS, at said election held on said 7th day of December, 1937, said proposed amendments were ratified by a majority of the electors of said City voting thereon; and

WHEREAS, said Charter amendments so ratified by the electors of the City of Santa Monica are now submitted to the Legislature of the State of California for approval or rejection, as a whole, without power of alteration or amendment, in accordance with Section 8, of Article XI of the Constitution of the State of California, and are in words and figures as follows, to-wit:

“PROPOSED CHARTER AMENDMENTS

1. Section 25-a of Article IV of the Charter of the City of Santa Monica is hereby repealed. <sup>Repeal</sup>

2. There is hereby added to the Charter of the City of Santa Monica a new article to be known as XV-B to be and read as follows:

‘ARTICLE XV-B

CIVIL SERVICE.

There is hereby established a Personnel System for the employees of the City of Santa Monica, pursuant to the following provisions: <sup>Personnel system established.</sup>

SECTION 1.

PERSONNEL BOARD. The Personnel Board shall consist of five members and shall be appointed by the City Council. The term of office shall be six years. No officer or employee of the City shall be eligible for appointment, or to serve as a member of said Personnel Board. <sup>Personnel board.</sup>

ORGANIZATION. Except as hereinafter provided, within ten days after the effective date of this Article, the City Council shall appoint a Personnel Board. The members so appointed shall qualify by taking the customary oath of office and shall organize by drawing lots for terms of office; two to serve for two years, two to serve for four years and one to serve for six years. The members of the Personnel Board shall select one of their members to serve as chairman until the first meeting of the Personnel Board in January. At the first meeting in January of each year, the members of the Personnel Board shall elect a chairman for that year. <sup>Organization</sup>

EXISTING BOARD. Upon the effective date of this Article should there then be a Personnel Board consisting of five members, created by City Ordinance, the members of said Personnel Board shall continue to serve. If the terms of office of the members of the Personnel Board then in existence are not staggered as provided herein the members of said Board <sup>Incumbent board</sup>

shall draw lots in the manner hereinabove prescribed in order to determine their respective terms of office.

## SECTION 2.

**Meetings**      **MEETINGS OF BOARD.** The Personnel Board shall hold at least one regular meeting each month, and such other meetings, upon call of the chairman or of any two members of the Personnel Board, as may be deemed necessary. Three members of the Personnel Board shall constitute a quorum, but no action shall be taken without the concurring vote of at least three members.

## SECTION 3.

**Removal**      **REMOVAL FROM BOARD.** Any member of the Personnel Board who shall be guilty of misconduct in office, or who shall fail to use his best efforts in the performance of his duties, may be removed from said Personnel Board by the City Council.

## SECTION 4.

**Vacancies**      **VACANCY ON BOARD.** Any vacancy occurring in the membership of the Personnel Board shall be filled within thirty days by appointment of the City Council for the unexpired term.

## SECTION 5.

**Executive secretary**      **PERSONNEL STAFF—Duties.** The Personnel Board shall appoint an Executive Secretary who shall act in the capacity of a secretary and clerk for the Personnel system. Such Executive Secretary shall be the custodian of all records.

**Technical staff.**      The technical work of the Personnel System may be delegated by the Personnel Board upon approval of the City Council to a Technical Staff appointed by the Personnel Board. Said Personnel Board shall retain all of its powers and jurisdiction in connection with the adoption of rules and regulations, the creation of classifications, the proceedings relating to reduction in personnel, dismissal, demotion, suspension and other punitive action.

**Technical director.**      With the approval of the City Council, the Personnel Board may vest the powers and duties of the Technical Staff, referred to in the foregoing paragraph, in a Technical Director of a personnel agency of the State, County or other Municipality.

## SECTION 6.

**Powers and duties of personnel board**      **PERSONNEL BOARD—Powers and Duties.** The Personnel Board shall ·

1 Administer and enforce the provisions of this Article and all ordinances pertaining to the Personnel System ;

2. Establish and maintain classifications for employees of the City in the Classified Service; said Classified Service to include all employees of said City except (a) the elective officers; (b) one chief deputy to each elective officer (by which is meant, one chief administrative assistant who is not a department head); (c) one secretary for each elective officer; (d) City Attorney and his entire staff; (e) Executive Secretary of Personnel Board; (f) band leader and members of municipal band;

3. Establish eligible lists;

4. Provide for the standardization of salaries;

5. Appoint an Executive Secretary;

6. Establish rules and regulations for:

a. Recruitment of employees;

b. Conduct of examinations;

c. Selection of employees;

d. Probationary periods;

e. Establishment of efficiency ratings;

f. Leaves of absence;

g. Lay-offs;

h. Sick leaves;

i. Vacations;

j. Transfers;

k. Re-employment from lay-off;

l. Reinstatement;

m. Suspension, demotion and dismissal;

n. Reduction in personnel;

o. General procedure for carrying out any and all of the provisions of this article, City Ordinances enacted pursuant hereto or applicable hereunder, and Rules and Regulations adopted by the Personnel Board;

7. Keep complete records of all proceedings of the Board.

## SECTION 7.

CLASSIFICATION. The Personnel Board shall make or cause to be made a classification, including a job analysis, of all positions of employment covered by the provisions of this Article, and, from time to time, shall re-classify such positions.

Classification  
of positions

## SECTION 8.

STANDARDIZATION OF SALARIES. The Personnel Board shall provide for revisions, reductions and adjustments of the compensation of employees in order to maintain salary schedules and in order to equalize compensation in the same class or similar classes of positions.

Standardiza-  
tion of  
salaries

## SECTION 9.

CERTIFICATION OF PAYROLL. The Personnel Board, through its Executive Secretary, shall certify to the City

Certification  
of payroll

Treasurer the compensation of the employees of the Classified Service. No salary warrant shall be issued or paid unless and until such compensation has been certified.

## SECTION 10.

### RECRUITMENT.

Examina-  
tions

A. Examinations of applicants for positions in the Classified Service shall be practical in their character and shall relate to those matters which fairly test the relative capacity of the persons examined to discharge the duties of the position to which they seek to be appointed. All examination papers shall remain on file in the office of the Personnel Board and shall be available for inspection by members of the public.

Qualifica-  
tions of  
applicants,  
etc.

B. The Personnel Board shall advertise all examinations in such manner as the Personnel Board shall determine. No applicant shall be examined who is not a citizen of the United States or who has not resided in the City of Santa Monica for at least one year next preceding the date of such examination, provided, that in filling certain technical positions, or in case there is not a sufficient number of applicants having resided in Santa Monica said residence requirement may be waived.

Persons  
securing  
positions  
through  
fraud

C. Any person who has been appointed to a position under the provisions of this Article and who secured his place on the eligible list through fraud shall be removed by the Personnel Board from said position. Such person shall not thereafter be eligible for examination for any position in the Classified Service except after having received the written consent of all members of the Personnel Board.

Status of in-  
cumbents at  
effective  
date.

D. Any person holding a position of employment which is to be classified under this Article and who shall have served as an employee of the City for a continuous period of at least twelve months immediately prior to the effective date of this Article shall be deemed to be a Classified Service Employee with permanent status, subject to the provisions of this Article. Any other person at said time holding a position of employment which is to be classified under this Article shall be regarded as an employee on probation, subject to the provisions of this Article. The Personnel Board may require such person to take a non-competitive examination.

Permanent  
employees

E. No employee of the City in the Classified Service shall be deemed to be a permanent employee until so certified by the Personnel Board, except as hereinabove provided in Paragraph 'D' of this Section.

Completion  
of classifica-  
tion and  
standard-  
ization

F. The procedure of determining the initial classification and standardization of salaries shall be completed within six months after the effective date of this Article, unless such classification and standardization shall have been completed pursuant to the provisions of an ordinance passed prior to the effective date of this Article, in which event such classification

and standardization shall be deemed to have been completed pursuant to this Article.

G. In all examinations for positions in the Classified Service, <sup>Veterans' credits</sup> veterans and widows of veterans who were married to such veterans on or before November 11, 1918, who become eligible for appointment by attaining the passing mark established for the examinations, shall be allowed a preferential credit of ten (10%) per cent of the maximum grade for such examinations, which shall be added to the percentages attained in such examinations by such veterans and widows, and they shall be placed on the eligible lists and be eligible for appointment in the order and on the basis of the percentages attained by them in the examinations after such preferential credits shall have been added. In the case of promotional examinations a preferential credit of three (3%) per cent shall be allowed to veterans and widows of veterans who were married to such veterans on or before November 11, 1918. All ties shall be decided in favor of such veterans and widows. The term <sup>"Veteran" defined</sup> 'veteran' shall mean and include any person who, in time of war, has served in the United States Army, Navy, Marine Corps, or as an active nurse in the service of the United States American Red Cross, or in the American Navy Nurse Corps or in any expedition of the armed forces of the United States, and has received an honorable discharge or certificate of honorable active service, proof of which shall be submitted to the Personnel Board at the time of the examinations.

H. The Personnel Board by its rules shall provide for <sup>Promotion</sup> promotion in the Classified Service, which shall be on the basis of ascertained merit, credit and seniority in service and examination, and shall provide, in all cases, where it is practicable, that vacancies shall be filled by promotion. All examinations for promotions shall be competitive. Certification of eligibles shall be made in the same manner as from lists established as the result of open competitive examinations.

## SECTION 11.

APPOINTMENTS. Upon the receipt of notice of a vacancy <sup>Appoint-ments.</sup> in a position in the Classified Service, the Personnel Board shall certify to the appointing power the name and address of the highest candidate on the eligible list, unless said appointing power requests in writing the names of the three highest candidates on said list. Upon such request by the appointing power, the Personnel Board shall certify to such appointing power the names and addresses of the three highest candidates on such eligible list. No candidate can be certified more than three times for any one classified position.

In order to prevent the stoppage of public business and in order to meet extraordinary exigencies, the Personnel Board, under such rules and regulations as it shall prescribe, may authorize the head of any department, office or board, to make temporary appointments in the Classified Service which shall

remain in force until regular appointments can be made, but in no case to exceed sixty (60) days. Temporary appointments can be authorized only when there is no eligible list available from which a certification can be made.

### SECTION 12.

Abolition of positions

Reinstatement

Lay-offs

**ABOLITION AND RE-INSTATEMENT OF POSITIONS, REDUCTION IN PERSONNEL AND LAY-OFFS.** Whenever it becomes necessary in the interest of economy, or whenever the necessity for a position ceases to exist, the City Council may abolish a position of employment in the Classified Service and discharge the employee holding such position. Should any such position of employment be reinstated or any position involving the same duties be created within one year, the employee who has been discharged shall be appointed thereto. Whenever it becomes necessary to reduce the number of employees in a given class, the appointing power shall so notify the Personnel Board and shall state the name or names of the employees to be laid off. Said appointing power shall also notify the employee or employees stating the reasons for the lay-off and whether it is temporary or permanent. All reductions in personnel, whether temporary or permanent, shall be governed by seniority in service. The lay-off shall be in the reverse order of employment, i.e. the last man employed shall be the first man laid off. The name of each employee so laid off shall be entered on the Re-employment List. Re-employment shall be governed by seniority in service, in the reverse order of the lay-off.

### SECTION 13.

Suspension, demotion and removal.

Dismissal statement.

Answer to charges.

**SUSPENSION, DEMOTION and DISMISSAL.** The City Council and all appointing officers and department heads are hereby vested with the right to exercise the disciplinary and removal powers hereinafter provided.

An employee holding a position in the Classified Service shall be subject to demotion or removal from office or employment or to suspension without pay for a period of not exceeding thirty (30) days in any one calendar year, for misconduct, incompetency, inefficiency, failure to perform the duties or to observe the rules and regulations of the department, office or board, or for failure to co-operate reasonably with the Department Head or with his fellow employees, but subject to the right of the employee to appeal to the Personnel Board in the manner set forth in its rules and regulations. An employee shall be entitled to receive a written statement of the reasons for dismissal at the time of dismissal, and a copy of such statement shall be filed immediately with the Personnel Board. Such statement shall include in item form the specific instances in support of the cause of dismissal. An employee who has been dismissed

shall have ten days after the receipt of such statement within which to file an answer to the same. Such answer shall be filed during office hours at the office of the City Clerk, and a copy thereof shall be filed immediately by said employee in the office of the Personnel Board. In the case of suspension or demotion, the same proceedings shall be taken, except that a written statement of the reasons for such action need not be given at once upon suspension or demotion, but must be available to the employee so suspended or demoted at the office of the suspending or demoting officer on the second business day following such suspension or demotion. The employee's answer to such charges must be filed within the same time and in the same manner as an answer in the case of dismissal. Should the last day on which an answer may be filed fall upon a Sunday or holiday, the time for filing such answer shall be extended to include the next following business day. Within ten days after the filing of his answer, or in the event that a written statement of the reasons for suspension, demotion or removal has not been made available to him within the time hereinabove prescribed, then within ten days after the expiration of the time within which said statement should have been made available, an employee who has been suspended, demoted or removed from office may file a written demand with the Executive Secretary requesting the Personnel Board to review such suspension, demotion or removal. In which event the Executive Secretary without delay shall file with the Personnel Board any copy of statement of reasons and answer of the employee together with such other information as may be provided for in the rules and regulations of the Personnel Board. Said Personnel Board may make, or cause to be made, such investigation as it shall deem necessary and thereafter shall hold a hearing, at which time it shall hear evidence for and against such employee. Hearings may be conducted informally and the rules of evidence need not apply. Written findings and conclusions shall be made by the Personnel Board within ten days after the matter has been submitted and thereupon the same shall be certified to the City Council and to the official from whose order the appeal had been taken. The findings and conclusions of the Personnel Board also may contain such recommendations as said Personnel Board shall deem proper, and shall include the amount of compensation such employee is entitled to receive, if any. The findings and conclusions of the Personnel Board shall be final and no appeal may be taken therefrom.

During the period of suspension of any employee, or pending final action or proceedings to review the demotion or dismissal of any employee, a vacancy created by such suspension, demotion or dismissal may be filled by the appointing power by temporary appointment.

A reduction in pay shall be deemed a demotion within the meaning of this Section unless such reduction is a part of a

Demand for  
review of  
action

Hearing

Findings and  
conclusions

Reduction  
in pay as  
demotion

plan to reduce salaries and wages in connection with a general economy or curtailment program

#### SECTION 14.

Appropriations

APPROPRIATIONS. The City Council shall include in its annual budget sufficient appropriation of funds for the efficient and proper functioning of the Personnel System.

#### SECTION 15.

Political activities

POLITICAL ACTIVITIES PROHIBITED. No person holding a position in the Classified Service nor any person on an eligible list shall seek or accept election, nomination or appointment as an officer of a political club or organization, nor shall serve as a member of a committee of such club or organization, nor shall take any active part in any Municipal Political Campaign, nor shall seek signatures to any petition which seeks to advance or espouse the candidacy of any person for any municipal office, nor shall act as a worker at the polls, nor shall distribute badges, pamphlets, cards, dodgers or handbills favoring or opposing any municipal candidate, nor shall circulate or distribute any petitions for the recall or nomination of any municipal officer; nor shall contribute to any fund for the purpose of securing the nomination, election or recall of any municipal officer; provided, however, that nothing in this Section shall be construed to prevent any such person from becoming, or continuing to be a member of a political club or organization, or from attending political meetings, or from enjoying entire freedom from all interference in casting his vote, or from seeking election or appointment to public office; provided, further, however, that such person upon becoming a candidate for public office shall request and be granted a leave of absence, without compensation, by the Personnel Board; such leave of absence to remain in effect during the period of time such person is a candidate' "

Certificate

NOW THEREFORE, WE, THE UNDERSIGNED, E S Gillette, Commissioner of Public Safety, ex-officio Mayor of the City of Santa Monica, State of California, and T. D. Plumer, Commissioner of Finance, ex-officio City Clerk, and ex-officio Clerk of the City Council of said City, do hereby certify that the foregoing proposed ratified amendments to the Charter of the City of Santa Monica, submitted to the electors of said City at an election held in said City on the 7th day of December, 1937, have been compared by us, and each of us, with the respective proposed amendments set forth in the ordinance adopted by the Council as herein before stated, and that the foregoing is a full, true, correct and exact copy thereof, and we further certify that the facts set forth in the preamble preceding said amendments to said Charter are, and each of them is true.



IN TESTIMONY WHEREOF, we have hereunto set our hands and caused the same to be authenticated by the Seal of said City of Santa Monica, this 1st day of February, 1938.

E. S. GILLETTE  
Commissioner of Public Safety, ex-officio  
Mayor of the City of Santa Monica

T. D. PLUMER  
Commissioner of Finance, ex-officio  
City Clerk, ex-officio Clerk of the  
City Council of the City of Santa  
Monica.

and

WHEREAS, Said amendments have been submitted to the Legislature of the State of California for approval or rejection without alteration or amendment, in accordance with section 8 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly, the Senate thereof concurring, a* <sup>Approval</sup>  
majority of all members elected to each house voting therefor and concurring therein, That said amendments to the charter of the city of Santa Monica, State of California, as proposed to, adopted and ratified by the electors of said city as hereinbefore fully set forth, be and the same are hereby approved as a whole without amendment or alteration for and as amendments to and as a part of the charter of the said city of Santa Monica.

## CHAPTER 5.

*Assembly Concurrent Resolution No. 5—Approving two certain amendments to the charter of the city of San Jose, in the county of Santa Clara, State of California, voted for and ratified by the electors of said city at a special election held therein on the nineteenth day of October, 1937*

[Filed with Secretary of State March 12, 1938.]

WHEREAS, The city of San Jose, in the county of Santa Clara, State of California, contains a population of over fifty thousand inhabitants, and has been ever since the first day of July, 1916, and is now organized and acting under a free-holders' charter adopted under and by virtue of section 8 of Article XI of the Constitution of the State of California, which charter was duly ratified by the qualified electors of said city at an election held for that purpose on the nineteenth day of April, 1915, and approved by the Legislature of the State of California on the twelfth day of May, 1915 (Statutes 1915, page 1869); and

Charter  
amendments  
City of  
San Jose

WHEREAS, The legislative body of said city, namely, the council thereof, duly proposed to the qualified electors of the

city of San Jose, two certain amendments to the charter of said city by the submission of said proposals, entitled respectively, as follows:

“Proposition No. 1. Designation of first election. Adds new section to Article V of the charter of said City of San Jose, designated as Section 47½, providing that for the purpose of submitting ordinances or charter amendments to the electors of the City, the first or primary election held in the City pursuant to the provisions of Section 9, shall be deemed to be a general election.

Proposition No. 2. Employees of consolidated cities. Adds new section to Article XVI of the Charter of the City of San Jose, designated as Section 108a, providing that all officers and employees of any municipality heretofore or hereafter consolidated with the City of San Jose, when such officers or employees would be included in the classified Civil Service, shall be deemed to have their names upon eligible lists for the respective types of positions held by them, and qualified for appointment to such respective positions; and that the Council and the Civil Service Commission shall have authority to carry this amendment into effect.”

WHEREAS, Said proposals above mentioned containing certain proposed amendments to said charter were, in accordance with the provisions of section 8 of Article XI of the Constitution of the State of California, published for one day after their adoption in the “San Jose Mercury-Herald,” a daily newspaper of general circulation published in said city of San Jose, and in every edition thereof during the day of publication; and

WHEREAS, Copies of said proposals containing said proposed amendments were printed in convenient pamphlet form, and in type not less than ten point, and mailed to each of the qualified electors of the city of San Jose, and until the date for the election hereinafter described, and as required by law, an advertisement was published in said “San Jose Mercury-Herald”; that such copies could be had upon application therefor at the office of the city clerk; and

WHEREAS, Such copies could be had upon application therefor at the office of the city clerk, until the date fixed for the election hereinafter described; and

WHEREAS, The legislative body of said city, by its Ordinance No. 2578, adopted on the seventh day of September, 1937, did order the holding of a special municipal election in said city of San Jose on the nineteenth day of October, 1937, said day being not less than forty, nor more than sixty days after the completion of the advertisement as required by law in the “San Jose Mercury-Herald,” and did provide in said ordinance for the submission of the proposed charter amendments to the qualified electors of said city, for their ratification at said election; and

WHEREAS, Said election was duly called and held on said nineteenth day of October, 1937, and at said election a majority of the qualified electors voting thereon voted in favor of the ratification of, and did ratify both of the said proposed amendments to said charter; and

WHEREAS, Returns of said election were in accordance with the law in such cases made and provided, duly and regularly canvassed and certified to, and it was duly found and determined and declared by the proper officers thereunto duly and properly authorized, that a majority of the qualified electors of said city voting thereon had voted for, and ratified both of said proposed amendments to said charter; and

WHEREAS, Said amendments to the charter, so ratified by a majority of the qualified electors of said city voting at said election, are, respectively, in words and figures, as follows:

#### “PROPOSITION NO. 1.

That a new section be added to Article V of said Charter, to be designated as Section 47½, to read as follows:

DESIGNATION OF FIRST ELECTION. 47½. For the purpose of submitting ordinances or charter amendments to the electors of the City of San Jose under any provision of this Charter, or any provision of the Constitution or laws of the State of California, the first or primary election held in the city pursuant to the provisions of Section 9 of Article III of said Charter shall be deemed to be a general election.

Designation  
of first  
election.

#### PROPOSITION NO. 2.

That a new section be added to Article XVI of said Charter, to be designated as Section 108a, to read as follows:

EMPLOYEES OF CONSOLIDATED CITIES. 108a. All officers and employees of any municipality heretofore or hereafter consolidated with the City of San Jose, when such officers or employees would be included in the classified Civil Service, shall, from the effective date of such consolidation or consolidations be deemed to have their names upon eligible lists for the respective types of positions held by them, and to be qualified for appointment to such respective positions.

Employees of  
consolidated  
cities.

The age limit provisions of the Charter, with reference to appointments, shall not apply to such officers and employees.

The Council shall have authority to adopt such ordinances as may be necessary to carry this Section into effect.

The Civil Service Commission shall have authority to adopt such rules and regulations, subject to the approval of the Council, as may be necessary to carry this section, and the ordinances adopted pursuant to it, into effect.”

State of California,  
 County of Santa Clara, } ss.  
 City of San Jose.

Certificate.

We, the undersigned, C. B. Goodwin, City Manager of the City of San Jose, State of California, and John J. Lynch, City Clerk of said City, and ex-officio clerk of the council of said city, do hereby certify:

That the foregoing proposed and ratified amendments to the charter of the City of San Jose, submitted to the electors of said City at a special municipal election held in said City on October 19, 1937, have been compared by us, and each of us, with the proposed amendments set forth in the ordinances adopted by the council, as hereinbefore stated, and that the foregoing is a full, true, correct and exact copy thereof; and we further certify that the facts set forth in the preamble preceding said amendments to said charter are, and each of them is, true.

In Testimony Whereof, we have hereunto set our hands and caused the same to be authenticated by the seal of said City of San Jose, this 15th day of February, 1938.

[SEAL]

C. B. GOODWIN  
 City Manager of the City  
 of San Jose.

JOHN J. LYNCH  
 City Clerk of the City of  
 San Jose.

And

WHEREAS, Said amendments have been submitted to the Legislature of the State of California for approval or rejection without alteration or amendment, in accordance with section 8 of Article XI of the Constitution of the State of California; now, therefore, be it

Approval.

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all members elected to each house voting therefor and concurring therein, that said amendments to the charter of the city of San Jose, State of California, as proposed to, adopted and ratified by the electors of said city as hereinbefore fully set forth, be and the same are hereby approved as a whole without amendment or alteration for and as amendments to and as a part of the charter of the said city of San Jose*

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## CHAPTER 6.

*Assembly Concurrent Resolution No. 6—Relative to the golden jubilee anniversary of the Press Club of San Francisco.*

WHEREAS, One of the foundations of our democratic form of government is a free press; and

Golden  
Jubilee anni-  
versary of  
Press Club  
of San  
Francisco

WHEREAS, The men engaged in the profession of journalism in the Territory and State of California have performed great service that has benefited the commonwealth; and

WHEREAS, Many of those men have been members of the Press Club of San Francisco; and

WHEREAS, The Press Club of San Francisco, the oldest institution of its kind in the United States, will shortly observe the fiftieth anniversary of its founding, now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Legislature of the State of California does hereby officially take notice of the golden jubilee anniversary of the Press Club of San Francisco and extend to it the best wishes of this legislative body.

CHAPTER 7.

*Assembly Concurrent Resolution No. 7—Relative to the approval of three certain amendments to the charter of the city of Alhambra ratified by the qualified electors of said city at a special municipal election held thereon on the eighth day of June, 1937.*

[Filed with Secretary of State March 12, 1938.]

WHEREAS, Proceedings have been taken and had for the proposal, adoption and ratification of three certain amendments to the charter of the city of Alhambra, a municipal corporation of the county of Los Angeles as hereinafter set forth in the certificate of the president of the city commission and the city clerk of the city of Alhambra, as follows, to wit:

Charter  
amendments-  
City of  
Alhambra.

CERTIFICATE OF RATIFICATION BY ELECTORS  
OF THE CITY OF ALHAMBRA OF THREE  
CERTAIN CHARTER AMENDMENTS.

STATE OF CALIFORNIA }  
COUNTY OF LOS ANGELES } ss.  
CITY OF ALHAMBRA }

We, the undersigned, VAL WOODBURY, President and presiding officer of the City Commission of the City of Alhambra, and R. B. WALLACE, City Clerk and ex-officio Clerk of the Commission of said City, do hereby certify and declare as follows:

Certificate

That the City of Alhambra, a municipal corporation of the County of Los Angeles, State of California, now is and at all times herein mentioned was a city containing a population of more than 3500 inhabitants and less than 50,000 inhabitants, and ever since the year 1915 has been and now is organized,

existing and acting under a freeholders' charter adopted under and by virtue of Section 8 of Article XI of the Constitution of the State of California, which charter was duly ratified by a majority of the qualified electors of said city at a special election held for that purpose on the 14th day of October, 1914, and approved and ratified by the Legislature of the State of California by concurrent resolution No. 14 thereof, introduced by Senator Newton W. Thompson on January 26, 1915, and approved by the Legislature of the State of California on January 28, 1915. (Statutes 1915, p. 1740).

That the City Commission of said City, being its legislative body, on its own motion, and pursuant to the provisions of Section 8 of Article XI of the Constitution of the State of California, by Resolution No. 5827 adopted on April 6, 1937, and Resolution No. 5830 adopted on April 7, 1937, duly proposed to the qualified electors of the City of Alhambra, six certain amendments to the charter of said City designated as Proposed Charter Amendments numbers I, II, III, IV, V and VI, respectively and ordered said six charter amendments to be submitted to said qualified electors at the general municipal election to be held in said city on the 8th day of June, 1937. That said proposed amendments were, on April 21, 1937, published and advertised in accordance with section 8 of Article XI of the Constitution of the State of California, in the "Alhambra Post-Advocate", and in all the editions thereof issued during such day of publication, said "Alhambra Post-Advocate" being a daily newspaper of general circulation printed, published and circulated in said city, and being the official newspaper of said city; and

That copies of all of said proposed amendments were printed in convenient pamphlet form and in type of not less than eight point, and that said proposed amendments were published in the Alhambra Post-Advocate, the official newspaper of the City of Alhambra, on April 21, 1937; and

That a copy of said notice containing said proposed Charter Amendments was mailed to each registered voter of the City of Alhambra at least seven days before the date of the election which was held on June 8, 1937.

That said City Commission did by Ordinances Nos. 1826 and 1827, order the holding of a General and Special municipal election in said City of Alhambra on June 8, 1937, for the purpose, among other things, of submitting to a vote the said six proposed charter amendments, and which date of said election was not less than forty days nor more than sixty days after the completion of the publication of said six proposed charter amendments as aforesaid; and pursuant to said charter, resolutions and ordinances, the said proposed amendments were submitted to the qualified electors of said City for their ratification on said June 8, 1937, and at said election a majority of the qualified electors voting thereon voted for the ratification of and did ratify three of the proposed amendments to the charter of said City.

That the City Commission of the City of Alhambra, in accordance with the law in such cases made and provided, did meet on the 14th day of June, 1937, at an adjourned regular meeting of such Commission and duly canvassed the returns of said election and duly found, determined and declared that the said proposed amendments of the charter of the City of Alhambra numbers III, IV and VI, and each and every one of them, were ratified by a majority of the electors of said city voting thereon and that said proposed amendment numbers I, II and V received less than a majority of the votes of the qualified electors voting thereon and were not ratified.

That the said amendments to the charter so ratified by the electors of the City of Alhambra are in words and figures as follows, to-wit:

### PROPOSED CHARTER AMENDMENT NO. III

#### ARTICLE VII

#### SALE OF PERSONAL PROPERTY

“Section 61: That Subdivision 45 of Section 61 be amended to read as follows: ‘Section 61, Subdivision 45: To provide for the sale at public auction upon five days published notice or by notice posted in three public places in the City of Alhambra, for a period of five days, of personal property unfit or unnecessary for the use of the City; PROVIDED, that personal property of less than One Hundred Dollars (\$100.00) in valuation may be sold at private sale and without notice by order of the Commission, provided there are three or more competitive bids.’”

Sale of  
personal  
property.

### PROPOSED CHARTER AMENDMENT NO. IV

#### ARTICLE XVII

#### ELECTIONS

“Section 106: The provisions of the General Law of the State governing the elections of Fifth and Sixth Class Cities, Chapter 477, Statutes of 1919, shall be used where same is not in conflict with the provisions of this Charter, in force at the time of any City election, shall govern such City election in matters for which no provision is made in this Charter and the Commission and the City Clerk respectively shall exercise the powers and perform the duties conferred on or imposed by such laws on any board or officer concerning such elections; provided that where this Charter makes provisions relating to any matters contained in such general laws, said Charter provisions shall govern.”

Elections:  
Application  
of general  
law.

## PROPOSED CHARTER AMENDMENT NO. VI

## ARTICLE XXIV-a

## CIVIL SERVICE

Appoint-  
ments.

Probation.

“Section 192-e: A record of all examinations shall be kept. Appointments to all positions under Civil Service shall be made by the Board or Officer, having the power of appointment, from a list of those who have taken examinations for such positions, and such appointment must be made from the three holding the highest rating on such list. Persons appointed to permanent positions shall be on probation for a period of not less than six (6) months before appointment or promotion is made complete, during which period a probationer may be discharged or reduced by the appointing board or officer.”

That we have compared the foregoing amendments with the original proposals submitting the same to the electors of said city and find that the foregoing are full, true, correct and exact copies thereof and each of them; we further certify that the facts set forth in the preamble preceding such amendments to such charter are and each of them is true.

That as to all of said amendments this certificate shall be taken as a full and complete certification as to the regularity of all proceedings had and done in connection therewith.

IN WITNESS WHEREOF, we have hereunto set our hands and caused the corporate seal of the City of Alhambra to be affixed hereto this 21st day of February, 1938.

[SEAL]

V. WOODBURY,  
President of the Commission of  
the City of Alhambra.  
R. B. WALLACE,  
City Clerk and ex-officio clerk  
of the Commission of the City  
of Alhambra.

and

WHEREAS, The said proposed charter amendments as ratified as hereinbefore set forth have been and are now duly presented and submitted to the Legislature of the State of California for approval or rejection as a whole without power of alteration in accordance with section 8 of Article XI of the Constitution of the State of California; now, therefore, be it

Approval.

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein, That the aforementioned three amendments to the charter of the city of Alhambra as proposed to, and adopted and ratified by the electors of said city, as hereinbefore fully set forth*



be and the same are hereby approved as a whole, without amendment or alteration for and as amendments to and as part of the charter of the city of Alhambra.

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## CHAPTER 8.

### *Assembly Joint Resolution No. 6—Relative to federal tax on oil.*

[Filed with Secretary of State March 16, 1938.]

WHEREAS, There has been introduced in the Congress of the United States House of Representatives Bill No. 3134, which would impose an excise tax of one cent per gallon on fuel oil used to generate heat or power, and Federal oil tax.

WHEREAS, There is produced in the State of California over two hundred million barrels of crude oil annually, a great portion of which is fuel oil which may be used to generate heat and power, and

WHEREAS, The industry which produces this crude oil contributes great benefits to the State by creating a new wealth and provides work for many thousands of individuals, and

WHEREAS, Other industries in the State of California such as railroads, steamship lines, manufacturing plants, and agricultural pursuits all utilize vast amounts of fuel oil to generate heat and power, and the imposition of this tax would add greatly to their cost of doing business to the disadvantage of these industries compared with industries in other States using other sources of fuel; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the President and the Congress of the United States are respectfully urged not to enact such legislation; and be it further

*Resolved,* That copies of this resolution be transmitted by the Governor of the State of California to the President and Vice President of the United States, to the Speaker of the House, and to the Senators and Representatives of the State of California in Congress.

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## CHAPTER 9.

### *Assembly Joint Resolution No. 12—Relative to memorializing Congress concerning the tariff on tungsten and tungsten products.*

[Filed with Secretary of State March 16, 1938.]

WHEREAS, Negotiations have been undertaken by the Department of State of the United States Government for the purpose of making a reciprocal trade treaty with Great Britain, her dominions and colonies; and Tariff on tungsten and tungsten products.

WHEREAS, The proposed reciprocal trade treaty with Great Britain, her dominions and colonies, intends to reduce the tariff upon tungsten and tungsten products; and

WHEREAS, The mining industry of California is in an orderly manner developing tungsten properties in this State; and

WHEREAS, The development of these properties will place the United States in a better position to furnish tungsten and tungsten products so vitally necessary for national defense; and

WHEREAS, The development of these properties and other mining properties in connection therewith will employ citizens of this State now being supported by public relief at the expense of the taxpayers; and

WHEREAS, Industrial plants for the processing, smelting, and refining of tungsten ores are hesitant to continue their rapid production and expansion, due to the proposed reciprocal trade treaty; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Congress of the United States is hereby requested to permit no reduction in the existing tariff rates on tungsten and tungsten products in this proposed reciprocal trade treaty with Great Britain, her dominions and colonies; and be it further

*Resolved,* That the Secretary of State of the State of California is hereby requested to transmit copies of this resolution to the President of the United States, to the President of the Senate and to the Speaker of the House of Representatives, and to each Senator and member of the House of Representatives from California in the Congress of the United States, and that such Senators and members from California are hereby respectfully urged to support such legislation.

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## CHAPTER 10.

### *Assembly Joint Resolution No. 1—Relative to memorializing the President and Congress to award the construction of naval vessels to the Pacific Coast shipyards.*

[Filed with Secretary of State March 16, 1938.]

Construction  
of naval  
vessels

WHEREAS, The Federal Government is providing for much needed enlargement of the defense forces of the United States and, in particular, of the naval forces; and

WHEREAS, The eastern shipyards are already working at capacity while the shipyards on the Pacific Coast have been compelled to lay off help resulting in a bad economic condition in communities dependent upon such yards; and

WHEREAS, The awarding of a large portion of the building under the new naval construction program to Pacific Coast

yards would not only facilitate the speed with which such construction could be undertaken but would also relieve the economic conditions in the State of California, which is already carrying a heavy burden of transient population from other States; and

WHEREAS, It is essential to good defense policy that a portion of the fleet be kept at all times in the Pacific waters with good and efficient yards to repair and construct said ships; and

WHEREAS, A steady employment load which is created by a regular construction program enables the shipyards to retain their skilled mechanics and function more efficiently than an irregular load; and

WHEREAS, The awarding of contracts for the construction of naval forces to the Pacific Coast shipyards will be not only a benefit to the Federal Government but also to the citizens of the State of California;

*Resolved by the Assembly and the Senate of the State of California, jointly,* That the President and the Congress of the United States take all action necessary or convenient to assure the construction of battleships, cruisers and other naval equipment on the Pacific Coast and that they make all necessary provision for such construction at their own Government yard at Mare Island, if any, which may be necessary so that construction may be begun at all Pacific Coast yards at the earliest possible date.

*Resolved,* That the chief clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and member of the House of Representatives from California in the Congress of the United States and to the Secretary of the Navy at Washington, D. C., and that they be urged to support an extensive naval construction program for the Pacific Coast shipyards.

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## CHAPTER 11.

*Assembly Joint Resolution No. 2—Relative to accepting a permit from the Government of the United States for the construction of a State highway, known as the Funston Avenue Approach, over certain rights of way and relating to the retrocession by the Congress of the United States of jurisdiction over the said rights of way.*

[Filed with Secretary of State March 16, 1938.]

WHEREAS, The Department of Public Works of the State of California has made application on behalf of the State of California to the Secretary of War of the United States for the grant of a permit for a right of way for the construction of a portion of State highway route 56 through the Presidio

Funston  
Avenue  
Approach  
Rights of  
way.

of San Francisco, a military reservation of the Government of the United States, which State highway is commonly known as the Funston Avenue approach to the Golden Gate Bridge, and which application is now pending in the office of the Secretary of War of the United States; and

WHEREAS, It is anticipated that the said permit will require as a condition precedent to the taking effect thereof that the State of California accept the same and agree to certain conditions relative to jurisdiction over said right of way; now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly,* That the State of California does hereby make application to Congress for a retrocession of jurisdiction over the rights of way described in said application now on file if the permit therefor be granted by the Secretary of War and will, in case such retrocession of jurisdiction is granted by Congress, accept the same and will assume the responsibility for managing, controlling, policing and regulating traffic thereon, all subject to the following limitations and to such other limitations as Congress may prescribe:

(1) That whenever in the judgment of the Secretary of War or his authorized representative an emergency exists which justifies it, he may assume exclusive control and management of such road, and may then in his discretion prohibit, limit, or regulate traffic thereon, and, for the passage of troops across the road, the Commanding General, 9th Corps Area, may suspend traffic on said road while the troops are crossing.

(2) The United States shall not be responsible for damages to property or injuries to persons upon said roads, or for damages to persons or property which may arise incident to the construction, maintenance or operation of said road, and the grantee shall save the United States harmless from any claims for such damages.

(3) That the rights hereby granted shall be subject to such rules and regulations as may from time to time be prescribed by the Secretary of War or his authorized representative, and subject also to any conditions which Congress may prescribe; and be it further

*Resolved,* That the State of California does hereby agree to make the said highway in said permit described a part of the system of public highways of the State; and be it further

*Resolved,* That copies of this resolution be transmitted to the President of the United States, Secretary of War, to each house of Congress and to the Senators and Representatives in Congress of the State of California.

## CHAPTER 12.

*Assembly Joint Resolution No. 5—Relative to memorializing the President and the Congress of the United States to make available Federal funds for flood relief.*

[Filed with Secretary of State March 16, 1933.]

WHEREAS, In the wake of a succession of recent unprece-<sup>Flood relief.</sup> dented storms and floods which have resulted in a deplorable loss of life and destruction of property, the State of California faces relief and reconstruction problems reaching the proportions of a major disaster; and

WHEREAS, The total public and private losses sustained will exceed \$52,000,000, according to conservative estimates prepared by State engineers and by representatives of various counties and cities; and

WHEREAS, Every resource of its citizenry and of its State, county and municipal governments is being employed to relieve suffering and to effect essential restoration of its highways, bridges, streets and flood control works; and

WHEREAS, California moneys available for flood relief and for highway and flood control repair and maintenance, together with supplementary funds potentially available for such purposes, is not expected to exceed \$11,000,000; and

WHEREAS, Such moneys will be totally inadequate to meet all the expenditures necessitated by the present emergency; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the State of California through its Legislature hereby respectfully requests the President and the Congress of the United States that Federal funds be made available for expenditure in the State of California for flood relief and for the repair and reconstruction of damaged highways, streets and flood control works, under the supervision of any Federal agency that might be designated; and be it further

*Resolved,* That a portion of such moneys be allocated for the support of the coordinated Federal and State program of farm debt adjustment to whose personnel has been entrusted certain details of distress relief in the rural areas; and be it further

*Resolved,* That the Governor is requested to transmit copies of this resolution to the President and to the Vice President of the United States, to the Speaker of the House of Representatives, and to the Senators and Representatives of the State of California in Congress.

## CHAPTER 13.

*Assembly Concurrent Resolution No. 9—Relative to the passing of the Honorable Frank G. Martin.*

[Filed with Secretary of State March 16, 1938.]

Death of  
Frank G.  
Martin.

WHEREAS, It was with profound regret and a deep sense of loss that the members of the Legislature learned of the death of the Honorable Frank G. Martin, a member of the Assembly, and

WHEREAS, The Honorable Frank G. Martin devoted his every effort to the best interests of the State and its people and, by his actions, typified the highest ideals and finest examples of public service; and

WHEREAS, The high ideals thus established and the finest examples thus set by the Honorable Frank G. Martin will continue to inspire the members of the Assembly and the Senate despite his passing; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the members of this, the fifty-second session of the Legislature, deeply regret the passing of the Honorable Frank G. Martin and desire by this simple statement to express their sympathy to those whose loss is even greater; and be it further

*Resolved,* That copies of this resolution, suitably inscribed, shall be delivered to the members of the family of the Honorable Frank G. Martin.

## CHAPTER 14.

*Assembly Concurrent Resolution No. 10—Relative to the death of the Honorable Frank J. Waters.*

[Filed with Secretary of State March 16, 1938.]

Death of  
Frank J.  
Waters.

WHEREAS, The Honorable Frank J. Waters has been removed from this sphere of life by Divine Providence; and

WHEREAS, The Honorable Frank J. Waters, through his fairness to both friend and foe, through his ceaseless desire to be sure of the rightness of his actions, and the justice of his cause, earned the respect and devotion of all who were associated with him; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That his fellow members, in special session assembled, do sincerely regret the passing of the Honorable Frank J. Waters and wish by this resolution to express their sympathies to Ida Waters, and to Frank J. Waters, Jr., Loughlin Waters, Ethel Waters, and Mary Waters for the loss of a devoted husband and loving father; and be it further

*Resolved*, That copies of this resolution, suitably inscribed, be presented to the members of the family of the Honorable Frank J. Waters.

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## CHAPTER 15.

*Senate Joint Resolution No. 4—Relative to memorializing the President and Congress to provide for the maintenance of intercoastal steamship lines between the Atlantic seaboard and the Pacific coast.*

[Filed with Secretary of State March 16, 1938.]

WHEREAS, The United States Government is initiating the policy of strengthening the naval establishment of this nation; and Intercoastal steamship lines.

WHEREAS, Because of the geographical situation of the States of California, Oregon and Washington, it is necessary to the proper naval defense of those States that regular lines of passenger steamships between ports on the eastern seaboard and ports on the Pacific coast, of the United States, be maintained at all times; and

WHEREAS, The operators of various steamship lines, now and heretofore engaged in such intercoastal transportation business have indicated their intention of discontinuing certain of such passenger lines, as aforesaid, because of the high cost of operating such ships passing through the Panama Canal, including the cost of paying tolls therefor, and on account of the additional reason that the Maritime Commission of the United States had allegedly offered certain inducements to the managements of such steamship lines to engage in the business of transporting passengers and freight between eastern ports of the United States and South American countries, all to the detriment of the people of the three Pacific coast states and on business and labor and industry therein, and to the detriment of the national defense; now, therefore, be it

*Resolved, by the Senate and the Assembly of the State of California, jointly*, That the President and Congress of the United States take all action necessary or convenient to assure the continuance of regular intercoastal steamship lines between the Atlantic seaboard and the Pacific coast, including the construction of additional passenger steamships for such purposes; and be it further

*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Member of the House of Representatives from California in the Congress of the United States, to the Secretary of the Navy, and to the Chairman of the Maritime Commission, and that all of such persons be urged to support a program consistent with the premises.

## CHAPTER 16.

*Senate Constitutional Amendment No. 1—A resolution to propose to the people of the State of California an amendment to the Constitution of said State by adding to Article XIII thereof a new section to be numbered 14 $\frac{3}{4}$ , relating to the taxation of insurance companies and associations.*

[Filed with Secretary of State March 16, 1938.]

Constitution,  
Art. XIII,  
Sec 14 $\frac{3}{4}$ .

*Resolved by the Senate, the Assembly concurring,* That the Legislature of California, in extraordinary session commencing on the seventh day of March, one thousand nine hundred thirty-eight, two-thirds of the members elected to each of the two houses of the Legislature voting in favor thereof, hereby proposes to the people of the State of California that the Constitution of said State be amended by adding to Article XIII thereof a new section to be numbered 14 $\frac{3}{4}$ , and to read as follows:

When  
effective, etc

SEC. 14 $\frac{3}{4}$ . (a) Those provisions of section 14 of this article relating to taxation of insurance companies and associations shall remain effective as to business done in this State prior to January 1, 1938, and as to the assessment, levy, collection and adjustment of taxes with respect to such business done prior to said date; but as to such business done subsequent to December 31, 1937, those provisions of said section 14 relating to taxation of insurance companies and associations shall not apply, and the provisions of paragraph (b) of this section shall apply thereto; provided, however, that if the application of the provisions of paragraph (b) of this section to such business done in this State during any part of the calendar year 1938 should be held to be invalid by a court of final jurisdiction, then and in that event those provisions of section 14 of this article relating to taxation of insurance companies and associations shall remain effective as to business done in this State prior to January 1, 1939, and as to the assessment, levy, collection and adjustment of taxes with respect to such business; but as to such business done subsequent to December 31, 1938, those provisions of said section 14 relating to taxation of insurance companies and associations shall not apply, and the provisions of paragraph (b) of this section shall apply thereto; provided, in any case, that those provisions of paragraph (b) of this section relating to taxation of ocean marine insurance profits shall be construed as a continuation of the corresponding provisions of said section 14 relating to taxation of ocean marine insurance profits and not as a change therein.

Construc-  
tion:  
Ocean marine  
insurance.

Tax assess-  
ment:  
General  
insurers

(b) Every insurance company or association doing business in this State shall annually pay to the State a tax, assessed by the State Board of Equalization, of two and six-tenths per centum upon the amount of the gross premiums, less return premiums, received upon its business done in this State, other



than premiums received for reinsurance and for ocean marine insurance; provided, that there shall be deducted from said two and six-tenths per centum upon the gross premiums the amount of any taxes paid by such companies on real estate owned by them in this State. Any tax assessed against any such insurance company or association pursuant to section 14 of this article prior to the date when this paragraph becomes operative, shall remain fully collectible, and all taxes assessable against such companies or associations pursuant to this article and which failed or shall have failed to be assessed shall remain assessable within the time now or hereafter fixed by law. This tax shall be in lieu of all other taxes and licenses. State, county and municipal, upon such companies or their property, except taxes upon their real estate; provided, that when by the laws of any other State or country any taxes, fines, penalties, licenses, fees, deposits of money or of securities, or other obligations or prohibitions are imposed on insurance companies of this State doing business in such other State or country, or upon their agents therein, in excess of such taxes, fines, penalties, licenses, fees, deposits of money or of securities, or other obligations or prohibitions imposed upon insurance companies of such other State or country, or upon their agents therein, so long as such laws continue in force, the same obligations and prohibitions of whatsoever kind may be imposed by the Legislature upon insurance companies of such other State or country doing business in this State, or upon their agents herein.

Deductions

Taxes collectible

Exemption from other taxes

Every insurer transacting the business of ocean marine insurance in this State shall annually pay to the State a tax, assessed by the State Board of Equalization, measured by that proportion of the underwriting profit of such insurer from such insurance written in the United States, which the gross premiums of the insurer from such insurance written in this State bear to the gross premiums of said insurer from such insurance written within the United States, at the rate of five per centum, which tax shall be in lieu of all other taxes and licenses, State, county and municipal, upon such insurer, except taxes upon real estate, and such other taxes as may be assessed or levied against such insurer on account of any other class of insurance written by it. The Legislature shall define the terms "ocean marine insurance" and "underwriting profit," and shall provide for the assessment, levy, collection and enforcement of said tax.

Tax assessment Ocean marine insurers

Exemption from other taxes

The Legislature, two-thirds of all the members elected to each of the two houses voting in favor thereof, may by law change the rate or rates of taxes herein imposed upon insurance companies.

Change in tax rate.

The word "companies" as used in this section shall include persons, partnerships, joint stock associations, companies and corporations.

"Companies" defined

## CHAPTER 17.

*Assembly Constitutional Amendment No. 1—A resolution to propose to the people of the State of California an amendment to the Constitution of said State, by adding section 27 to Article VI thereof, relating to the retirement of judges.*

[Filed with Secretary of State March 16, 1938.]

Constitution,  
Art. VI,  
Sec. 27

*Resolved by the Assembly, the Senate concurring,* That the Legislature of the State of California at the first special session of the fifty-second Legislature commencing on the seventh day of March, 1938, two-thirds of the members elected to each of the two houses of the Legislature voting therefor, hereby proposes to the people of the State of California that the Constitution of the State be amended by adding to Article VI thereof a new section, to be numbered 27 and to read as follows:

Retired  
judges

SEC. 27. Every justice or judge heretofore or hereafter retired under any retirement act of this State shall continue to be a judicial officer in addition to those otherwise provided by law; provided, however, that a retired justice or judge shall exercise judicial functions only under assignment by the chairman of the judicial council and shall receive therefor only such compensation as may be provided by the Legislature.

Statutes  
confirmed

Chapters seven hundred seventy and seven hundred seventy-one of the Statutes of 1937 are hereby confirmed, ratified and declared to be valid and completely effective, but the Legislature may amend, repeal and supplement these statutes.

## CHAPTER 18.

*Senate Constitutional Amendment No. 2—A resolution to propose to the people of the State of California an amendment to the Constitution of said State, by adding a new section numbered 11 to Article XVI thereof, relating to the transfer of all activities of the Relief Administration, including the Relief Commission and the Relief Administrator.*

[Filed with Secretary of State March 16, 1938.]

Constitution,  
Art. XVI,  
Sec. 11.

*Resolved by the Senate, the Assembly concurring,* That the Legislature of the State of California, in extraordinary session commencing on the seventh day of March, one thousand nine hundred thirty-eight, two-thirds of the members elected to each of the two houses of the Legislature voting in favor thereof, hereby proposes to the people of the State of California that the Constitution of said State be amended by adding

to Article XVI thereof a new section to be numbered 11, and to read as follows:

SEC. 11. Notwithstanding any provision of section 10 of this article of the Constitution to the contrary, the Legislature has plenary power to provide for the administration of any constitutional provisions or laws heretofore or hereafter enacted concerning the administration of relief, and to that end may modify, transfer, or enlarge the powers vested in the Relief Administrator, the Relief Commission or any other State agency or officer concerned with the administration of relief or laws appertaining thereto. The Legislature, or the people by initiative, shall have power to amend, alter, or repeal any law relating to the relief of hardship and destitution, whether such hardship and destitution results from unemployment or from other causes, or to provide for the administration of the relief of hardship and destitution, whether resulting from unemployment or from other causes, either directly by the State or through the counties of the State, and to grant such aid to the counties therefor, or make such provision for reimbursement of the counties by the State, as the Legislature deems proper.

Power to transfer activities of Relief Administration, etc.

Power to change relief laws

## CHAPTER 19.

### *Senate Joint Resolution No. 1—Relative to memorializing Congress in relation to California's opposition to reciprocal trade agreements concerning agricultural products.*

[Filed with Secretary of State March 16, 1938]

WHEREAS, The economic growth and well-being of California has been built on tariff protection openly arrived at by Congress; and

Reciprocal trade agreements

WHEREAS, This policy has made possible the production and distribution of California's quality products in the home market at prices which permit American standards of living; and

WHEREAS, The production of wool, woolen fabrics, and other agricultural products is a major California activity; and

WHEREAS, Reciprocal trade agreements, secretly arrived at, threaten to destroy this American standard of living and keep business in a condition of uncertainty and retard recovery; and

WHEREAS, Reciprocal trade agreements affecting the tariffs on wool, woolen fabrics, and other agricultural products have been proposed and considered; and

WHEREAS, These secret negotiations are un-American and will be disastrous to business recovery; now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly, That the State of California be recorded as being in opposition to any reciprocal trade agreements with*

England or any other country in which wool, woollen fabrics, or other agricultural products are concerned; and be it further

*Resolved*, That copies hereof be sent to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, the Senators from California, and all members of the California delegation in the House of Representatives.

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## CHAPTER 20.

### *Senate Joint Resolution No. 3—Relative to memorializing Secretary of Agriculture Henry A. Wallace.*

[Filed with Secretary of State March 16, 1938.]

Live stock  
grazing

WHEREAS, The live stock industry is the basic industry of Modoc County, California; and

WHEREAS, The ranchers of Modoc County depend entirely upon the allocations allowed them for the grazing of their live stock on the Modoc National Forest as well as on the public domain lands for the spring and summer feeding of their live stock, and this has been the practice since the year 1873; and

WHEREAS, In December, 1937, the United States Forest Service notified stockmen who graze animals on the Modoc National Forest that an intensive grazing survey made during the past few years indicated overstocking of allotments to stockmen; that reductions in the number of animals grazing on said forest must be made; that the reductions would not exceed 10 per cent for the year 1938; and

WHEREAS, Reports issued by the United States Department of Agriculture and the California Department of Agriculture show the following:

1. That on March 1, 1938, the average pasture and range conditions for Modoc County were 93 per cent of normal, as compared to 75 per cent on March 1, 1937,

2. That the average condition of all pastures and ranges in the State of California on February 1, 1938, was 88 per cent of normal, as compared to 43 per cent in February, 1937, and 75 per cent in February, 1936, and 72 per cent as the February average for the past ten years, and

WHEREAS, It thus appears that the survey conducted by the United States Forest Service represents conditions in subnormal years; and

WHEREAS, The county of Modoc depends principally on the live stock industry to raise revenues by taxation to meet its annual expenses, and any curtailment of the live stock industry would directly curtail revenues of the county, and of business organizations therein, and would cause serious financial hardship to stockmen;

*Resolved*, That we urge the Secretary of Agriculture not to make any reductions in the number of live stock grazed on the Modoc National Forest until a proper survey is made to determine the normal carrying capacity of said forest, and further, that we urge that surveys made under subnormal conditions be disregarded; further

*Resolved*, That copies of this resolution be sent to Hon. Henry A. Wallace, Secretary of Agriculture; to F. A. Silcox, Chief of the United States Forest Service; to United States Senators Hiram W. Johnson and Wm. G. McAdoo, to all California Congressmen, to Hon. Frank F. Merriam, Governor of California, and to the Governors of the States of Oregon, Washington, Idaho, Montana, Nevada, Wyoming, Colorado, Arizona, New Mexico and Utah.

## CHAPTER 21.

*Senate Concurrent Resolution No. 8—Requesting the Department of Public Works and the Department of Finance to report to the fifty-third session of the Legislature regarding the amount of property damaged or destroyed during recent storms and floods and the causes thereof.*

[Filed with Secretary of State March 16, 1933]

WHEREAS, Public and private property in many parts of the State was damaged or destroyed during recent storms and floods; and

Storm and  
flood  
damage  
Reports

WHEREAS, Many people whose homes or farms were destroyed are destitute and will be compelled to resort to public and private charity in order to live; and

WHEREAS, It appears that much of the damage may be attributable in part to the neglect or failure of various public agencies to make adequate provisions for the protection and safety of persons and property against hazards created by storms or floods in connection with the operation and maintenance by such public agencies of water conservation, storage, or drainage works involving the diversion of waters from their natural channels; and

WHEREAS, It is necessary that the Legislature of the State of California be fully and accurately informed as to these matters in order that it may make such changes in and additions to the laws of this State as the facts may indicate are necessary or desirable; and

WHEREAS, The Department of Public Works and the Department of Finance are the agencies of the State which are best qualified to obtain the desired information and to transmit it to the Legislature; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring*, That the Legislature hereby requests the Department of Public Works and the Department of

Finance to ascertain the facts in the premises and to report to the fifty-third session of the Legislature their findings as to the approximate amount of damage to and destruction of public and private property in this State during the said storms and floods, their findings as to the causes thereof, and particularly their findings as to the extent that the acts or omissions of public agencies were contributory factors in causing such damage and destruction.

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CHAPTER 22.

*Senate Concurrent Resolution No. 9—Relative to fire hazards along the State highways.*

[Filed with Secretary of State March 16, 1938.]

Highway fire  
hazards

WHEREAS, The heavy rainfall this winter will cause a very large growth of grass, which will create fire hazards in various parts of California this coming summer; and

WHEREAS, Many fires start on State highway rights of way, and are caused by autoists; and

WHEREAS, Owners of property adjoining State highways are entitled to protection from fires which are caused by autoists using State highways; and

WHEREAS, It is believed that insufficient attention has heretofore been given by the State Department of Public Works to the matter of protecting property adjoining State highways from fires; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the State Department of Public Works is hereby directed to actively plan to prevent such fires, and to allocate sufficient funds at once to protect property adjoining State highways from fires caused by autoists; and be it further

*Resolved,* That copies of this resolution be sent to Honorable Frank F. Merriam, Governor of California, to all members of the California Highway Commission, and to Honorable Earl Lee Kelly, Director of Public Works.

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CHAPTER 23.

*Senate Concurrent Resolution No. 7—Relative to a commission on intergovernmental cooperation.*

[Filed with Secretary of State March 16, 1938.]

Intergovern-  
mental  
cooperation

WHEREAS, Cooperation among the various governments in the United States is desirable; and

WHEREAS, The respective problems of the various State governments are often similar, so that the experience of one commonwealth may serve as a guide to others; and

WHEREAS, Many of the problems of any State overlap State lines and their solution is facilitated by the conference and cooperation of the State governments involved; and

WHEREAS, The value of interstate governmental cooperation has been recognized by many states by the establishment of commissions and legislative committees, and by participation in the work of the American Legislators' Association and the Council of State Governments; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring.* That there is hereby established a standing committee of the Senate of this State, to be officially known as the Senate Committee on Intergovernmental Cooperation, and to consist of five Senators. The members and the chairman of this committee shall be designated in the same manner as is customary in the case of the members and chairmen of other standing committees of the Senate. In addition to the regular members, the President of the Senate shall be ex officio an honorary nonvoting member of this committee; and be it further

*Resolved.* That there is hereby established a similar standing committee of the Assembly of this State, to be officially known as the Assembly Committee on Intergovernmental Cooperation, and to consist of five members of the Assembly. The members and the chairman of this committee shall be designated in the same manner as is customary in the case of the members and chairmen of other standing committees of the Assembly. In addition to the regular members, the Speaker of the Assembly shall be ex officio an honorary nonvoting member of this committee; and be it further

*Resolved.* That there is hereby established a committee of this State to be officially known as the Governor's Committee on Intergovernmental Cooperation, and to consist of five members. Its members shall be designated by the Governor. The Governor shall appoint one of the five members of this committee as its chairman. In addition to the regular members, the Governor shall be ex officio an honorary nonvoting member of this committee; and be it further

*Resolved.* That there is hereby established the California Commission on Intergovernmental Cooperation. This commission shall be composed of fifteen regular members, namely:

The five members of the Senate Committee on Intergovernmental Cooperation,

The five members of the Assembly Committee on Intergovernmental Cooperation, and

The five members of the Governor's Committee on Intergovernmental Cooperation.

The Governor, the President of the Senate and the Speaker of the Assembly shall be ex officio honorary nonvoting members of this commission; and be it further

*Resolved.* That the said standing committee of the Senate and the said standing committee of the Assembly shall function during the regular sessions of the Legislature and also

during the interim periods between such sessions; their members shall serve until their successors are designated; and they shall respectively constitute for this State the Senate Council and Assembly Council of the American Legislators' Association. The incumbency of each member of the Governor's committee of this commission shall extend until the first day of February next following his appointment, and thereafter until his successor is appointed; and be it further

*Resolved*, That it shall be the function of this commission:

(1) To carry forward the participation of this State as a member of the Council of State Governments.

(2) To encourage and assist the legislative, executive, administrative and judicial officials, and employees of this State to develop and maintain friendly contact by correspondence, by conference, and otherwise, with officials and employees of the other States, of the Federal Government, and of local units of government.

(3) To endeavor to advance cooperation between this State and other units of government whenever it seems advisable to do so by formulating proposals for, and by facilitating:

(a) The adoption of compacts.

(b) The enactment of uniform or reciprocal statutes.

(c) The adoption of uniform or reciprocal administrative rules and regulations,

(d) The informal cooperation of governmental offices with one another.

(e) The personal cooperation of governmental officials and employees with one another, individually,

(f) The interchange and clearance of research and information, and

(g) Any other suitable process.

(4) In short, to do all such acts as will, in the opinion of this commission, enable this State to do its part—or more than its part in forming a more perfect union among the various governments in the United States and in developing the Council of State Governments for that purpose; and be it further

*Resolved*, That the commission shall establish such delegations and committees as it deems advisable, in order that they may confer and formulate proposals concerning effective means to secure intergovernmental harmony, and may perform other functions for the commission in obedience to its decisions. Subject to the approval of the commission, the member or members of each such delegation or committee shall be appointed by the chairman of the commission. State officials or employees who are not members of the Commission on Intergovernmental Cooperation may be appointed as members of any such delegation or committee, but private citizens holding no governmental position in this State shall not be eligible. The commission may provide such other rules as it considers appropriate concerning the membership and the functioning of any such delegation or committee. The commission may provide for advisory boards for itself and for its various



delegations and committees, and may authorize private citizens to serve on such boards; and be it further

*Resolved*, That the commission shall report to the Governor and to the Legislature within fifteen days after the convening of each regular legislative session, and at such other times as it deems appropriate. Its members and the members of all delegations and committees which it establishes shall serve without compensation for such service; and be it further

*Resolved*, That the committees and the commission established by this act shall be informally known, respectively, as the Senate Cooperation Committee, the Assembly Cooperation Committee, the Governor's Cooperation Committee and the California Cooperation Commission; and be it further

*Resolved*, That the Council of State Governments is hereby declared to be a joint governmental agency of this State and of the other States which cooperate through it; and be it further

*Resolved*, That the Secretary of State shall forthwith communicate the text of this resolution to the Governor, to the Senate, and to the House of Representatives, of each of the other States of the Union, and shall advise each Legislature which has not already done so that it is hereby memorialized to enact a law or resolution similar to this measure, thus establishing a similar commission, and thus joining with this State in the common cause of reducing the burdens which are imposed upon the citizens of every State by governmental confusion, competition and conflict.

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## CHAPTER 24

*Senate Joint Resolution No. 7—Relative to memorializing the President and Congress to provide all necessary aids to night air navigation.*

[Filed with Secretary of State March 16, 1938]

WHEREAS, The Transcontinental & Western Air, Inc., an airline, has been granted permission to operate and maintain passenger, mail and express schedules between San Francisco, California, and Winslow, Arizona, by way of Fresno, California, and Las Vegas, Nevada, Aids to  
night air  
navigation

WHEREAS, The present established airway between San Francisco, California, and Winslow, Arizona, via Fresno, California, and Las Vegas, Nevada, is not completely lighted for night flying,

WHEREAS, A completely lighted airway for night flying between San Francisco, California, and Winslow, Arizona, or Kingman, Arizona, would relieve the necessity of using portions of the present coast airway for night or instrument flying, which is indirect,

WHEREAS, A most unfortunate plane disappearance occurred on this airway which experienced aviators attribute to the lack of adequate signal facilities, which disappearance has probably resulted in the loss of lives of a number of persons, now, therefore, be it

*Resolved, by the Senate and the Assembly of the State of California, jointly,* That the Legislature of the State of California respectfully urges and memorializes the President and the Congress of the United States of America to take such steps as are proper to remedy the present situation and to speedily cause to be installed all the necessary aids to air navigation as to permit regular night scheduled airline operation direct between San Francisco, California, and Winslow, Arizona, or Kingman, Arizona, (whichever would prove to be more suitable) by way of Fresno, California, and Las Vegas, Nevada, and be it further

*Resolved,* That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States; and that such Senators and Representatives from California are hereby respectfully urged to support any necessary or appropriate measures for legislation to accomplish the purposes set forth in this resolution.

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## CHAPTER 25.

*Senate Joint Resolution No. 6—Urging the enactment of House of Representatives Bill No. 8430 now pending in the Congress of the United States, providing for Federal aid in the construction of the "T" tunnel project at San Pedro Harbor.*

[Filed with Secretary of State March 16, 1933]

"T" tunnel  
San Pedro  
Harbor

WHEREAS, The Honorable Charles J. Colden, representative of the Seventeenth California Congressional District, has introduced a bill designated H. R. No. 8430 in the House of Representatives, which directs the Secretary of War to make a survey of the proposed "T" tunnel as a means of communication and transportation connection between San Pedro, Wilmington and Terminal Island, California, including a survey of the route and the cost and benefits of a direct line of connection between San Pedro, Wilmington, Terminal Island and Long Beach, which comprise the harbor district of, and are contiguous to, the city of Los Angeles, California; and

WHEREAS, The enactment of that bill will be of great importance to the State of California and particularly to the

city of Los Angeles, the Los Angeles harbor district and the national defense; now, therefore, be it

*Resolved by the Senate of the California Legislature, the Assembly thereof concurring, That the President and the Congress of the United States are hereby respectfully urged to enact H. R. No. 8430 authorizing the Secretary of War to make a survey of the proposed "T" tunnel as a means of communication and transportation between San Pedro, Wilmington, Terminal Island and Long Beach, California; and be it further*

*Resolved, That the Secretary of the Senate is hereby directed to prepare and transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to the Senators and Representatives from the State of California in Congress.*

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## CHAPTER 26.

*Senate Joint Resolution No. 5—Relative to memorializing the President and the Congress of the United States to enact H. R. 9256, relative to reimbursement by the Federal Government to States and counties for expenditures in behalf of nonresidents.*

[Filed with Secretary of State March 16, 1938 ]

WHEREAS, The problem of relief for indigent nonresidents of the State of California has reached alarming proportions; and

WHEREAS, There has been introduced in the Congress H. R. 9256, by Congressman Voorhis providing for aid by the Federal Government to States which can and will meet the requirements of said act; and

WHEREAS, Said bill provides for the return of unemployable indigent transients to the State of their legal settlement at Federal expense, and gives the Social Security Board power to determine the State of legal settlement; and

WHEREAS, Said bill provides for Federal reimbursement to States and counties of moneys spent for relief and medical care of nonresidents; and

WHEREAS, The provisions of said bill require that eligibility for relief thereunder is contingent upon registration for work with the United States Employment Service or an affiliated State employment service; and

WHEREAS, While no State is required to come under the terms of the bill, the provisions thereof are peculiarly applicable to the State of California because of the fact that this State, by reason of its higher relief standards, has encouraged the migration of indigents into this State; and

WHEREAS, The enactment of this bill would be of peculiar benefit to the State of California; now, therefore, be it

Expenditures  
in behalf of  
nonresident  
indigents  
Reimburse-  
ment

*Resolved by the Senate and Assembly of the State of California, jointly,* That the President and the Congress of the United States are hereby memorialized and requested to enact said H. R. 9256; and be it further

*Resolved,* That the Governor transmit copies of this resolution to the President of the United States, the Vice President, the Speaker of the House of Representatives, and to the members of the delegation from California in the Congress.

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## CHAPTER 27.

*Assembly Concurrent Resolution No. 18—Relative to the validation and affirmation of the powers of interim committees heretofore and hereafter established by the Fifty-second Legislature.*

[Filed with Secretary of State March 16, 1933.]

Validation  
of interim  
committees

WHEREAS, Several interim committees have been established by single house and concurrent resolutions; and

WHEREAS, It is desired to supplement and affirm such single house and concurrent resolutions; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That all Assembly and Senate single house and concurrent resolutions heretofore passed at the regular session of the Fifty-second Legislature and heretofore and hereafter passed at the first extra session of the Fifty-second Legislature, are hereby validated, affirmed and authorized, and the committees established and to be established thereunder are hereby authorized to exercise all the powers and perform all the duties vested in them and imposed upon them by the particular resolution under which the committee or committees are established.

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## CHAPTER 28.

*Assembly Joint Resolution No. 15—Relative to aliens in America.*

[Filed with Secretary of State March 16, 1933 ]

Aliens in  
America

WHEREAS, The presence of the alien in this country and his activities constitute a grave problem that demands the immediate attention of Congress; and

WHEREAS, This alien question directly affects every American wage earner, employer and taxpayer, and forms the basis for much of the current distress, expense and danger resulting from unemployment, relief, crime and the activities of subversive minority groups; and

WHEREAS, We know little about the aliens who are in this country, legally or otherwise, but we do know, however, according to reputable estimates, that there are three and a half million aliens unlawfully in this country, and the same sources indicate that there are from one million to one and a half million aliens on public relief. Others have estimated that one out of eight persons now on relief is an alien, while another set of reliable figures shows that there are six million aliens enjoying regular employment in this country; and

WHEREAS, California is not spared the disturbing effect of the alien, the 1930 census showing that there were in this State 256,147 unnaturalized aliens; and

WHEREAS, It is safe to estimate that with the great influx of population from all over the country during the past four years, this California total has been swollen to formidable proportions; and

WHEREAS, These estimates of the alien population of the United States can not be taken lightly, and every American wage earner who has been replaced by foreign workers who refuse to swear allegiance to our country, every taxpayer who supports aliens on the relief rolls, and every citizen whose peace and security have been jeopardized by alien gangsters, criminals, kidnappers, drug peddlers and mental defectives will testify to the gravity of the situation; and

WHEREAS, This trouble will not end here, for on the day we started our vast social welfare program each alien within our borders became a distinct liability, as our relief agencies make no distinction between American citizens and aliens in administering relief, and the Social Security Act makes no distinction, in the application of its terms, between American citizens and aliens; and these factors, unless relieved by legislation, must necessarily result each year in an increasing burden for the taxpayer; and

WHEREAS, A great percentage of the alien population, as long as it remains in this country, will continue to compete with the American working man for jobs, and the alien is not only to be found enjoying employment in private industry but, strange enough, is to be found on the pay rolls of the government; and

WHEREAS, In addition to the millions of aliens who are in this country illegally, there are hundreds of thousands of others who have entered legally but have since abused the privileges of residence, many having engaged in violent crimes and having been convicted by courts, and in California alone one-eighth of the population of Folsom and San Quentin prisons is composed of alien felons; and

WHEREAS, A vast number of alien agitators in this country have committed no offenses of the types outlined in our present deportation laws but still have been able to incite others to the widespread commission of acts hostile to the security of communities and States in which they live, and many of the activities of these alien agitators are known to

have been financed by foreign agencies, for the sole purpose of undermining and destroying the American form of government and American institutions; and

WHEREAS, Nowhere in the world today does a similar situation exist where citizens of a country are forced to suffer in order to provide plenty for aliens, the major countries of Europe having laws which give preference of employment to the citizens of their country and the American workman, however skilled, can not secure employment in those countries if there is a citizen of that country who desires and can do the work; and

WHEREAS, American citizens are not accepted and cared for on relief in foreign countries, being promptly sent home, while ours is the only country on earth that gives aliens the same opportunity for work and the same relief as American citizens and no other country tolerates the situation that exists in the United States today; and

WHEREAS, The answer to the alien problem is control; control at the gates of the country by smaller and more selective quotas; control of alien movements and activities within our borders by strict registration; control of alien conduct by mandatory deportation laws that will affect the immediate and certain deportation of those who violate the laws or the hospitality of our country; and

WHEREAS, The present laws regulating aliens and deportation of aliens have proven inadequate, particularly in the so-called "hardship" cases, which have proven to be difficult of decision under existing regulations, but which can best be cared for by regulations written by Congress itself; and

WHEREAS, California, with a heavy relief burden on its hands, confronted by a serious unemployment problem, already a victim of the alien criminal, gangster, dope peddler, is weary of the trials and distractions of the alien agitator; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California most respectfully urges and petitions the President and the Congress of the United States to enact legislation providing for three steps to deal with the alien problem: first, drastic reduction in now existing quotas and the establishment of quotas for the countries of North and South America; second, registration of all aliens in the United States; and third, deportation of all aliens unlawfully in the United States and the deportation of undesirable aliens, including dope peddlers, gangsters, racketeers, and criminals, the definitions and directions to be specific, leaving but a minimum of discretionary power to any administrative official; and, be it further

*Resolved,* That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the

Speaker of the House, and to the Senators and Representatives of the State of California in Congress.

CHAPTER 29.

*Assembly Joint Resolution No. 14—Relative to requesting the State of Utah to cooperate in preventing the marriage of white women and Filipinos.*

[Filed with Secretary of State March 16, 1938.]

WHEREAS, Marriages between white persons and Filipinos or members of the Malay race are illegal and void in California and in neighboring States; and Marriages between white women and Filipinos

WHEREAS, According to recent newspaper reports, more than two hundred young white women residing in the State of California have been taken to the State of Utah by members of the Malay race for the purpose of marriage, thereby evading the California law; and

WHEREAS, These dual racial couples have returned to reside in the State of California; and

WHEREAS, The offspring of these unions have been found to be difficult subjects for assimilation into the social and economic life of, and have created additional and vexing racial problems in, the State of California; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California hereby respectfully requests its fellow American citizens, the legislative representatives of the people of the great State of Utah, to enact such law or laws as may be necessary to aid the State of California in preventing the flaunting of California laws prohibiting marriage between white persons and members of the Filipino or Malay race; and be it further

*Resolved,* That in making this request the Legislature of the State of California fully appreciates that it has no control whatsoever over the citizens of the State of Utah, nor does it by this resolution endeavor or intend to transgress any of the rights of a sister State nor to interfere with any of the privileges or rights of her citizens. This resolution is motivated only by a desire to stop the practice whereby citizens of the State of California and members of a nonassimilable alien race have been defeating California marriage laws by resorting to a subterfuge of transient residence in the State of Utah. It is further motivated by the desire to enlist the cooperation and assistance of the State of Utah in preventing a practice which, it is believed, is not beneficial to the welfare of the citizens of the State of California and which is extremely harmful to the offspring of persons who have resorted to such practice; and be it further

*Resolved,* That a copy of this resolution be forwarded by the Secretary of the State of California to the Governor of the

State of Utah and to the presiding officers in the Legislature of the State of Utah.

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CHAPTER 30.

*Assembly Joint Resolution No. 9—Relative to memorializing the Congress of the United States to extend assistance to the American Merchant Marine.*

[Filed with Secretary of State March 16, 1938.]

American  
Merchant  
Marine  
Assistance.

WHEREAS, A modern merchant marine handling water-borne commerce during peace time is essential to the prosperity and welfare of the Pacific Coast; and

WHEREAS, The Pacific Coast has its particular problems in connection with water-borne commerce and essential trade routes; and

WHEREAS, The large investment in port facilities on the Pacific Coast is dependent upon water-borne commerce for its existence; and

WHEREAS, A modern and adequate American Merchant Marine is imperative to our national defense; and for the movement of the products of agriculture; and

WHEREAS, The American Merchant Marine, as an auxiliary to the Navy, is essential to the safety of the United States; and

WHEREAS, These port facilities are essential to the defense of the nation; and must be maintained; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Congress of the United States is hereby respectfully urged to enact legislation extending all possible assistance to the American Merchant Marine; and be it further

*Resolved,* That the chief clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, each of the members of the United States Maritime Commission, and to each Senator and member of the House of Representatives from California in the Congress of the United States.

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CHAPTER 31.

*Assembly Concurrent Resolution No. 14—Relative to adjournment sine die of the Extraordinary session of 1938 of the Legislature of the State of California.*

[Filed with Secretary of State March 16, 1938.]

Adjournment  
sine die.

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the 1938 Extraordinary



session of the Legislature of the State of California shall adjourn sine die at 12 M, March 12, 1938.

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## CHAPTER 32.

### *Assembly Joint Resolution No. 4—Relative to relief of hardship and destitution caused by floods.*

[Filed with Secretary of State March 16, 1938 ]

WHEREAS, Over immense and densely populated sections of the State of California, there have come, in the last few weeks, disastrous floods, unprecedented in the last three-quarters of a century, which have destroyed life and property; and

<sup>Flood  
relief.</sup>

WHEREAS, The morale of a great number of our citizens has been shaken because of the overwhelming toll the floods have taken; and

WHEREAS, Vital public projects and property such as sewage disposal, flood control, and local streets and bridges, have been damaged in great degree; and

WHEREAS, There now appears in many parts of the State to be an immediate and alarming danger of contamination and disease by reason of the pollution of water supply, the covering of homes and highways with filth and refuse from broken and overflowing sewers, all running rampant in the wake of the flood; and

WHEREAS, There is a dire and urgent need for assistance to our stricken people in California so that widespread impending disease may be obviated, and our public health projects restored, and

WHEREAS, The best estimates reveal that over \$50,000,000 damage has been wrought by the aforesaid floods; and

WHEREAS, The State, counties, and cities of California already are bending every effort in giving every assistance to alleviate the ruin in this hour; and

WHEREAS, The Federal Government has, on the occasion of local emergency in the past, come to the aid of its suffering and stricken people; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the President of the United States and the Congress of the United States be, and they are hereby, memorialized to grant immediate aid, in such amount as is possible, to the people of California in this period of great emergency.