
STATUTES OF CALIFORNIA

FIRST EXTRAORDINARY SESSION

1963

**Began Monday, July 8, 1963, and Adjourned
Thursday, August 1, 1963**

PROCLAMATION BY THE GOVERNOR
CONVENING THE LEGISLATURE IN FIRST EXTRAORDINARY SESSION

EXECUTIVE DEPARTMENT, STATE OF CALIFORNIA

PROCLAMATION

WHEREAS, an extraordinary occasion has arisen and now exists requiring that the Legislature of the State of California be convened in extraordinary session, now therefore,

I, EDMUND G. BROWN, 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 in extraordinary session at Sacramento, California, on the eighth day of July, 1963, at 12 o'clock noon of said day to legislate upon the following subjects:

Item 1. To consider and act upon proposals to amend and supplement the Budget Bill for the 1963-64 fiscal year (enacted as the Budget Act of 1963, and revenue acts.

Item 2. To consider and act upon legislation relating to the support of the public school system and revenue acts necessary therefor.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of California to be affixed hereto this fifth day of July, 1963.

(SEAL)

EDMUND G. BROWN
Governor of California
[ATTEST] FRANK M. JORDAN
Secretary of State

STATUTES OF CALIFORNIA

PASSED AT THE 1963 FIRST EXTRAORDINARY SESSION
OF THE LEGISLATURE

CHAPTER 1

An act making an appropriation for the payment of the expenses of the Senate and Assembly and Members of the Senate and Assembly necessarily incurred by them while attending the 1963 First Extraordinary Session of the Legislature, to take effect immediately.

[Approved by Governor July 15, 1963. Filed with
Secretary of State July 15, 1963.]

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

SECTION 1. The sum of thirty-six thousand four hundred twenty dollars (\$36,420) is hereby appropriated out of the General Fund in the State Treasury for the payment of the expenses of the Senate and Assembly necessarily incurred by them while attending the 1963 First Extraordinary Session of the Legislature in accordance with the following schedule:

- (a) For expenses of the Assembly, including the payment of expenses for the Members of the Assembly necessarily incurred by them while attending the 1963 First Extraordinary Session of the Legislature and the payment of mileage necessarily incurred by such members in attending such session ----- \$24,280
- (b) For expenses of the Senate, including the payment of expenses for the Members of the Senate necessarily incurred by them while attending the 1963 First Extraordinary Session of the Legislature and the payment of mileage necessarily incurred by such members in attending such session ----- \$12,140

SEC. 2. This act, inasmuch as it makes an appropriation for the usual current expenditures of the State, shall, under the provisions of Section 1 of Article IV of the Constitution, take effect immediately.

CHAPTER 2

An act to amend Sections 23185, 23186a, 23225, 23281, 25551, 25552, 25552a, 25553, 25554, 26072, 26073 and 26073c of, to add Sections 25553.5, 25561, 25562, 25563, 25564, 25565, 25951, 25952, 25953, 25954, 25956, 25957 and 26081 to, to add Article 2.5 (commencing with Section 25441) to Chapter 19 of Part 11 of Division 2 of, and to repeal Sections 23112 and 25551a of, the Revenue and Taxation Code, relating to the taxation of banks, corporations, associations, and Massachusetts trusts.

[Approved by Governor July 23, 1963. Filed with Secretary of State July 24, 1963.]

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

SECTION 1. Section 23185 of the Revenue and Taxation Code is amended to read:

23185. At the time of payment of the tax, each taxpayer claiming an offset against the tax, pursuant to Section 23184, shall submit to the Franchise Tax Board evidence in such form as it shall prescribe in support of said claims.

SEC. 2. Section 23186a of said code is amended to read:

23186a. The Franchise Tax Board, after public hearing and opportunity given to examine the data on which its determination is based, shall determine not later than the 31st day of December of each year the average percentage of net income above specified, and, within 30 days after its determination, shall mail notice of its determination and the amount of tax payable or refundable, as the case may be, on the basis of such determination to all banks and financial corporations affected thereby, which are then classified on its records as banks or financial corporations, but such determination shall not be considered a deficiency assessment within the meaning of Article 1 of Chapter 20. The data gathered by the Franchise Tax Board in determining the rate, referred to herein, shall be made available to the taxpayers affected by such determination at the time and in the manner prescribed by regulations adopted by the Franchise Tax Board.

SEC. 3. Section 23225 of said code is amended to read:

23225. The adjusted tax, as provided in Sections 23222 to 23224, inclusive, for any taxable year in excess of the prepayment for that year, shall be due and payable as provided in Chapter 19.

SEC. 4. Section 23281 of said code is amended to read:

23281. When a corporation discontinues doing business within the State during any taxable year and does not dissolve or withdraw from the State during that year, and does not resume doing business during the succeeding taxable year, its tax for the year in which it resumes doing business shall be computed upon the basis of the net income for the year in

which it discontinued doing business, except where such income has already been included in the measure of a tax imposed by this chapter, a credit being allowed for any tax payable under Section 23153. Such tax shall be due and payable at the time the corporation resumes doing business, or on or before the 15th day of the third month following the close of its income year, whichever is later. All the provisions of this part relating to delinquent taxes shall be applicable to such tax if it is not paid on or before its due date.

This section is not applicable to a corporation which became subject to the provisions of Chapter 3 after it discontinued doing business in this State; see Section 23224.

SEC. 5. Article 2.5 (commencing with Section 25441) is added to Chapter 19, Part 11 of Division 2 of the Revenue and Taxation Code, to read:

Article 2.5. Declarations of Estimated Tax

25441. Every taxpayer subject to the tax imposed by this part shall, within 5 months and 15 days after the beginning of its income year, transmit to the Franchise Tax Board a declaration of estimated tax containing such pertinent information as the Franchise Tax Board may by forms or regulations prescribe, the estimated tax to be computed on the basis of the estimated net income of the income year.

25442. A taxpayer may make amendments of a declaration filed during the income year under regulations prescribed by the Franchise Tax Board.

25443. A taxpayer with an income year of less than 12 months shall make a declaration in accordance with regulations prescribed by the Franchise Tax Board.

SEC. 6. Section 25551 of said code is amended to read:

25551. Except as otherwise provided in this chapter, the tax imposed by this part shall be paid not later than the time fixed for filing the return (determined without regard to any extension of time for filing the return).

SEC. 6.5. Section 23112 of said code is repealed.

SEC. 7. Section 25551a of said code is repealed.

SEC. 8. Section 25552 of said code is amended to read:

25552. For the calendar year 1964 and fiscal years beginning in 1964, in the case of taxpayers subject to the tax imposed by Article 3 of Chapter 2, there shall be due and payable, on or before the 15th day of the 3d month following the close of the preceding year, from each such taxpayer as a first installment of the tax a percentage of its net income as disclosed by its return, which is equal to the rate applicable to corporations subject to the tax imposed by Article 2 of Chapter 2 plus one-half of the difference between such rate and the rate determined by the Franchise Tax Board for the preceding year pursuant to Section 23186a. The first installment of the tax on financial corporations, other than credit unions whose gross income is twenty thousand dollars (\$20,000) or less, shall

not be less than the minimum tax of one hundred dollars (\$100). The first installment of the tax on credit unions whose gross income is twenty thousand dollars (\$20,000) or less shall not be less than a minimum tax of twenty-five dollars (\$25).

SEC. 9. Section 25552a of said code is amended to read:

25552a. For the calendar year 1964 and fiscal years beginning in 1964, in the case of taxpayers subject to the tax imposed by Article 3 of Chapter 2, there shall be due and payable from each such taxpayer on or before the 15th day following the mailing of notice by the Franchise Tax Board as provided in Section 23186a, or on or before the 15th day of the ninth month following the close of the preceding year whichever is later, a percentage of its net income as disclosed by its return which is equal to the rate applicable to corporations subject to the tax imposed by Article 2 of Chapter 2 plus the percentage of the net income of corporations subject to the tax imposed by Article 2 of Chapter 2, other than public utilities as defined in the Public Utilities Act, required to be paid to the State or its political subdivisions as personal property taxes as determined by the Franchise Tax Board, less the amount of the first installment paid pursuant to Section 25552.

SEC. 10. Section 25553 of said code is amended to read:

25553. Beginning with the calendar year 1965 and fiscal years beginning in 1965, in the case of taxpayers subject to the tax imposed by Article 3 of Chapter 2, there shall be due and payable on or before the 15th day of the 3d month following the close of the preceding year from each such taxpayer a percentage of its net income as disclosed by its return which is equal to the rate applicable to corporations subject to the tax imposed by Article 2 of Chapter 2 plus the difference between such rate and the rate determined by the Franchise Tax Board in December of the preceding year pursuant to Section 23186a, less the credit allowable by Section 23184. The payment by financial corporations, other than credit unions whose gross income is twenty thousand dollars (\$20,000) or less, shall not be less than the minimum tax of one hundred dollars (\$100). The payment by credit unions whose gross income is twenty thousand dollars (\$20,000) or less shall not be less than twenty-five dollars (\$25).

SEC. 10.5. Section 25553.5 is added to said code, to read:

25553.5. The amount of tax payable by taxpayers subject to the tax imposed by Article 3 of Chapter 2 as set forth in a notice mailed to such taxpayers pursuant to Section 23186a shall be due and payable on or before the 15th day following the mailing of the notice by the Franchise Tax Board.

SEC. 11. Section 25554 of said code is amended to read:

25554. A tax imposed by this part may be paid at the election of the taxpayer, prior to the date prescribed for its payment.

SEC. 12. Section 25561 is added to said code, to read -

25561. For purposes of this article, in the case of a corporation other than a financial corporation, the term "estimated tax" means the amount which the corporation estimates as the amount of the tax imposed by this part; but in no event shall the estimated tax of a corporation subject to the tax imposed by Article 2 of Chapter 2 be less than one hundred dollars (\$100), except that in the case of a corporation described in subsection (b) of Section 23153 the estimated tax shall not be less than twenty-five dollars (\$25)

SEC. 13. Section 25562 is added to said code, to read -

25562 For purposes of this article, in the case of banks and financial corporations, the term "estimated tax" means the amount which the bank or financial corporation estimates as the amount of the tax imposed by this part at the rate determined by the Franchise Tax Board for the preceding year pursuant to Section 23186a, less the credit allowable by Section 23184, but in no event shall the estimated tax of a financial corporation be less than one hundred dollars (\$100), except that in the case of a corporation described in subsection (a) of Section 23153 the estimated tax shall not be less than twenty-five dollars (\$25).

SEC. 14. Section 25563 is added to said code, to read -

25563 If the amount of estimated tax with respect to which a declaration is required under Article 2.5 of this chapter does not exceed one hundred dollars (\$100), or twenty-five dollars (\$25) in the case of a corporation described in subsection (a) of Section 23153, the entire amount of the estimated tax shall be due and payable on or before the 15th day of the 6th month of the income year. If the amount of estimated tax exceeds one hundred dollars (\$100), or twenty-five dollars (\$25) in the case of a corporation described in subsection (a) of Section 23153, the amount payable on or before the 15th day of the 6th month of the income year shall be—

(a) For the calendar year 1965 or income years beginning in that calendar year, one hundred dollars (\$100) or 20 percent of the amount of the estimated tax (or twenty-five dollars (\$25) or 20 percent of the estimated tax in the case of a corporation described in subchapter (a) of Section 23153), whichever is greater;

(b) For the calendar year 1966 or income years beginning in that calendar year, one hundred dollars (\$100) or 35 percent of the amount of the estimated tax (or twenty-five dollars (\$25) or 35 percent of the estimated tax in the case of a corporation described in subchapter (a) of Section 23153), whichever is greater;

(c) For income years beginning on or after January 1, 1967, one hundred dollars (\$100) or 50 percent of the amount of the estimated tax (or twenty-five dollars (\$25) or 50 percent of the estimated tax in the case of a corporation described in subchapter (a) of Section 23153), whichever is greater.

SEC. 15. Section 25564 is added to said code, to read:

25564. The application of this article to income years of less than 12 months shall be in accordance with regulations prescribed by the Franchise Tax Board.

SEC. 16. Section 25565 is added to said code, to read:

25565. The provisions of Chapters 20 and 23 shall apply to the assessment and collection of estimated tax.

SEC. 17. Section 25951 is added to said code, to read:

25951. In case of any underpayment of estimated tax, except as provided in Section 25954, there shall be added to the tax for the taxable year an amount determined at the rate of 6 percent per annum upon the amount of underpayment (determined under Section 25952) for the period of the underpayment (determined under Section 25953).

SEC. 18. Section 25952 is added to said code, to read:

25952. For the purposes of Section 25951 the amount of the underpayment shall be the excess of—

(a) The amount which would be required to be paid if the estimated tax were equal to 70 percent of the tax shown on the return for the income year, or in the case of the tax imposed by Article 3 of Chapter 2 the amount of the tax shown on the return for the income year plus or minus the amount of tax payable or refundable, respectively, as shown on the notice of determination mailed by the Franchise Tax Board pursuant to Section 23186a for the income year, or, if no return was filed, 70 percent of the tax for such year, over

(b) The amount, if any, paid on or before the last date prescribed for payment.

SEC. 19. Section 25953 is added to said code, to read:

25953. The period of the underpayment shall run from the date the payment was required to be made to whichever of the following dates is the earlier—

(a) The 15th day of the third month following the close of the income year.

(b) With respect to any portion of the underpayment, the date on which such portion is paid

SEC. 20. Section 25954 is added to said code, to read:

25954. Notwithstanding the provisions of the preceding sections of this article, the addition to the tax with respect to any underpayment shall not be imposed if the amount of estimated tax paid on or before the last date prescribed for the payment equals or exceeds the amount which would have been required to be paid on or before such date if the estimated tax were whichever of the following is the lesser—

(a) The tax shown on the return of the taxpayer for the preceding income year if a return showing a liability for tax was filed by the taxpayer for the preceding year and such preceding year was a year of 12 months. The tax shown on the return, in the case of the tax imposed by Article 3 of Chapter 2, means the amount of tax shown on the return for the income year plus or minus the amount of tax payable or refundable, respectively, as shown on the notice of determination mailed

by the Franchise Tax Board pursuant to Section 23186a for the income year.

(b) An amount equal to the tax computed at the rates applicable to the taxable year but otherwise on the basis of the facts shown on the return of the taxpayer for, and the law applicable to, the preceding taxable year.

(c) (1) An amount equal to 70 percent of the tax for the taxable year computed by placing on an annualized basis the taxable income for the first three months or for the first five months of the income year.

(2) For purposes of this subsection, the taxable income shall be placed on an annualized basis by—

(A) Multiplying by 12 the taxable income referred to in paragraph (1), and

(B) Dividing the resulting amount by the number of months in the income year referred to in paragraph (1).

“Taxable income” as used in this section means, in the case of the tax imposed by Chapter 2, income includable in the measure of the tax.

SEC. 21. Section 25956 is added to said code, to read:

25956. The application of this article to income years of less than 12 months shall be in accordance with regulations prescribed by the Franchise Tax Board.

SEC. 22. Section 25957 is added to said code, to read:

25957. Notwithstanding the provisions of any of the preceding sections of this article, the amount payable by a corporation subject to the tax imposed by Chapter 2 for any taxable year shall not be less than one hundred dollars (\$100), or not less than twenty-five dollars (\$25) in the case of a corporation described in subsection (a) or (b) of Section 23153.

SEC. 23. Section 26072 of said code is amended to read:

26072. (a) No credit or refund exceeding one thousand dollars (\$1,000) shall be allowed or made until approved by the Franchise Tax Board. The Franchise Tax Board shall not delegate its power to approve claims for refund provided for by this subsection.

(b) If the Franchise Tax Board determines that an amount was not required to be paid under this part, the Franchise Tax Board may credit the amount on any amounts then due and payable under this part from the taxpayer by whom the amount was paid and may refund the balance to the taxpayer or its successors.

SEC. 24. Section 26073 of said code is amended to read:

26073. No such credit or refund shall be allowed or made after four years from the last day prescribed for filing the return or after one year from the date of the overpayment, whichever period expires the later, unless before the expiration of such period a claim therefor is filed by the taxpayer, or unless before the expiration of such period the Franchise Tax Board allows a credit or makes a refund, or certifies such

overpayment for approval of the refunding or the crediting thereof.

SEC. 25. Section 26073c of said code is amended to read :

26073c. (1) Notwithstanding any statute of limitations otherwise provided for in this part, any overpayment due a taxpayer for any year, shall be allowed as an offset in computing any deficiency in tax, for the same or any other year, if such overpayment results from :

(a) A transfer of items of income or deductions or both to or from another year for the same taxpayer ; or

(b) A transfer of items of income or deductions or both to or from another taxpayer for the same or different years if such items of income or deductions are transferred between affiliated taxpayers whose tax is determined under Chapter 17 of this part.

(2) The offset provided by subdivision (1) shall not be allowed after the expiration of seven years from the due date of the return or returns on which the overpayment is determined.

(3) No refund shall be allowed under subdivision (1) unless a claim for refund is filed within the time otherwise provided for in this part.

SEC. 26. Section 26081 is added to said code, to read :

26081. Credits or refunds of overpayments of estimated tax shall be made by the Franchise Tax Board as provided in this article as respects overpayments of tax.

Interest shall be allowed and paid upon the amount of estimated tax paid for a taxable year in excess of the amount of tax due for that year at the rate of 6 percent per annum as follows :

(a) In the case of a credit, from the due date of the estimated tax or the date of payment of the estimated tax, whichever is the later, to the due date of the amount against which the credit is taken.

(b) In the case of a refund, from the due date of the estimated tax or the date of payment of the estimated tax, whichever is the later, to a date preceding the date of the refund warrant by not more than 30 days, such date to be determined by the Franchise Tax Board.

SEC. 27. (a) The provisions of Article 3 of Chapter 19 of the Bank and Corporation Tax Law in effect on July 1, 1963, shall be applicable to the payment of taxes disclosed by returns required to be filed, without regard to any extension of time granted by the Franchise Tax Board, prior to March 15, 1964.

(b) Sections 25551, 25552, 25552a, 25553 and 25554 of the Bank and Corporation Tax Law as amended by this act and the repeal of Section 25551a of said law by this act shall be applicable to the payment of taxes disclosed by returns required to be filed, without regard to any extension of time granted by the Franchise Tax Board, on or after March 15, 1964.

SEC. 28. The provisions of this act, except as may otherwise be specifically provided, shall become operative on January 1, 1965, with respect to the computation of taxes on or measured by the net income of the calendar year 1965 or on the first day of the fiscal year with respect to the computation of taxes on or measured by the net income of fiscal years beginning after January 1, 1965.

SEC. 29. Notwithstanding any other provision of this act, the amendments made by this act to Section 23186a of the Revenue and Taxation Code, and added Section 25553.5 of said code, shall become operative on February 1, 1964.

SEC. 30. In enacting this act the Legislature does not intend to impose any new tax on banks or corporations or to change the rate or measure of the taxes on banks or corporations

It is further the intent of the Legislature to enact in this act, two separate changes in the tax law affecting corporations. First, it is intended to eliminate the authority to pay the tax in installments. Second, it is intended to accelerate payment by providing for the payment of a portion of an estimated tax each year on the basis of the estimated income for that year.

The Legislature declares its intent that these two changes be separable and that if either provision or the application of either provision to any person or circumstance is held invalid, the remainder, or the application to other persons or circumstances, is not affected.

It is further declared that in the event that the measure receives less than two-thirds vote in either house, its provisions will be applicable to the extent possible under the provisions of Section 16 of Article XIII of the Constitution.

CHAPTER 3

An act to amend Sections 12202, 12302 and 12305, and to add Article 5 (commencing with Section 12251) to Chapter 3 of Part 7 of Division 2, of the Revenue and Taxation Code, relating to taxation of insurers.

[Approved by Governor July 23, 1963 Filed with
Secretary of State July 24, 1963]

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

SECTION 1. Section 12202 of the Revenue and Taxation Code is amended to read:

12202. The rate of tax to be applied to the basis of the annual tax in respect to each year is 2.35 percent except the rate to be applied to the basis in respect to the years 1964, 1965, 1966, and 1967 is 2.33 percent and except that as to gross premiums received upon policies or contracts issued in con-

nection with a pension plan or profit-sharing plan exempt or qualified under Sections 401(a), 404, or 501(a) of the United States Internal Revenue Code as amended or renumbered from time to time, the rate of tax shall be the percentage set forth below opposite each year:

Year	Percentage
1960 -----	2.15
1961 -----	1.95
1962 -----	1.75
1963 -----	1.55
1964 -----	1.35
1965 and each year thereafter -----	1.00

Sec. 2 Article 5 (commencing with Section 12251) is added to Chapter 3 of Part 7 of Division 2 of said code, to read:

Article 5 Prepayments

12251. After January 1, 1964, every insurer shall remit, at the times and for the calendar quarters specified in the schedule set forth below, to the State an amount computed pursuant to Section 12252 as a partial prepayment of the annual tax for the calendar year due under this part that is imposed on such insurer by Section 14 $\frac{2}{5}$ of Article XIII of the California Constitution and this part, except with respect to ocean marine insurance:

Schedule

Due date of prepayments	Calendar quarters
June 15, 1964 -----	January 1–March 31, 1964
June 15, 1965 -----	January 1–March 31, 1965
September 15, 1965 -----	April 1–June 30, 1965
June 15, 1966 -----	January 1–March 31, 1966
September 15, 1966 -----	April 1–June 30, 1966
December 15, 1966 -----	July 1–September 30, 1966

12251.5 After January 1, 1967, every insurer shall, on or before the 15th day of the third month following the close of each calendar quarter, remit to the State an amount computed pursuant to Section 12252 as a partial prepayment of the annual tax for the calendar year due under this part that is imposed on such insurer by Section 14 $\frac{2}{5}$ of Article XIII of the California Constitution and this part, except with respect to ocean marine insurance.

12251.7. (a) Except as otherwise provided in subdivision (b), each insurer commencing to do business in California in any calendar quarter shall make the quarterly prepayments required by this article for its first calendar quarter and for each remaining calendar quarter during its first calendar year pursuant to Section 12252.

(b) An insurer commencing to do business in California in any calendar quarter may, pursuant to rules and regulations adopted by the commissioner, make the quarterly prepayments required by this article for its first calendar quarter and for each remaining calendar quarter during its first calendar year as an insurer admitted to do business in this State on the basis of an estimate of the amount of gross premiums, less return premiums, received by it during the calendar quarter upon its business done in California, other than premiums received for reinsurance or for ocean marine insurance.

12252. The amount of the quarterly prepayment shall be as provided in either of the following subdivisions at the election of the insurer:

(a) An amount equal to the basis for the prepayment multiplied by the applicable rate under Section 12202, subject to a deduction for real estate taxes as specified in Section 12255.5

The "basis for prepayment" in the case of a title insurer is that specified in Section 12253. As to other insurers, the "basis of prepayment" is that specified in Section 12255.

(b) An amount equal to at least twenty-five percent (25%) of the amount of taxes, exclusive of any penalties or interest, imposed upon the insurer by Section 14 $\frac{1}{2}$ of Article XIII of the Constitution of California and this part for the calendar year preceding the calendar year with respect to which the quarterly payment is made, except as to ocean marine insurance.

An election pursuant to this section shall be in writing and shall be filed with the commissioner. If an election is not so made by any insurer, it shall be deemed to have made an election in accordance with subdivision (a).

12253. The basis for the prepayment for title insurers shall be, in respect to each quarter, all income upon business done in this State, except:

- (a) Interest and dividends.
- (b) Rents from real property.
- (c) Profits from the sale or other disposition of investments.
- (d) Income from investments.

12254. "Investments," as used in Section 12253, includes property acquired by an insurer in the settlement or adjustment of claims against it, but excludes investments in title plants and title records. Income derived directly or indirectly from the use of title plants and title records is included in the basis of the prepayment.

12255. The basis for the prepayment for insurers other than title insurers shall be the amount of gross premiums, less return premiums, received by them during the quarter upon their business done in California, other than premiums received for reinsurance or for ocean marine insurance.

12255.5. To the extent that the amount of eligible real estate taxes have not been previously used as a deduction in making prepayments, an insurer shall deduct from the amount required as a prepayment, the amount of real estate taxes

which are eligible under Section 12241 to be deducted from the annual tax to which the prepayment relates and which have been paid by the end of the calendar quarter for which the prepayment is required. If the unused balance of the amount of such real estate taxes exceeds the amount of the prepayment, the prepayment shall be reduced to zero by deduction and the unused balance of the eligible amount shall be carried over to be deducted from the next succeeding prepayment amount for that year.

12256 All amounts paid under this article, other than penalties and interest, shall be allowed as a credit on the annual tax imposed by Section 14 $\frac{1}{2}$ of Article XIII of the California Constitution and this part

12257. If the total amount of the prepayments for any calendar year exceeds the amount of the annual tax that year, the excess shall be treated as an overpayment of the annual tax and be allowed as a credit or refund under Article 2 (commencing with Section 12977) of Chapter 7 of this part, except that interest shall be computed from the 15th day of the third month next succeeding the final calendar quarter of the year used for computation of the annual tax.

12258 If the annual tax exceeds the total amount of the prepayment for the calendar year, the insurer shall remit the difference with the insurance tax return filed pursuant to Section 12302. The amount so remitted shall be credited against the "amount of tax" required to be remitted with the return pursuant to Section 12305.

12259. Every insurer required to make quarterly prepayments of tax under this article shall file in duplicate a return with each quarterly remittance in the form prescribed by the commissioner. The return shall contain the computation of the prepayment and such other information as may be necessary to carry out this article. The return shall be signed and verified in the same manner as prescribed in Section 12303

12260. A duplicate copy of each prepayment return filed with the commissioner shall be promptly forwarded to the board.

12261 The insurer required to file a prepayment return shall deliver the return in duplicate, together with a remittance payable to the Controller for the amount of the prepayment computed and shown thereon, to the office of the commissioner.

12262. The commissioner, for good cause shown, may extend for not to exceed one month the time for filing a prepayment return or paying any amount required to be paid with the return. The extension may be granted at any time, provided that a request therefor is filed with the commissioner within or prior to the period for which the extension may be granted.

12263. Any insurer to whom an extension is granted pursuant to Section 12262 shall pay, in addition to the quarterly remittance, interest at the rate of one-half of 1 percent per

month, or fraction thereof, from the 15th day of the third month next succeeding the quarter for which the remittance is made until the date of payment.

12264. Any insurer who fails to pay any quarterly remittance within the time required shall pay a penalty of 10 percent of the amount of the required prepayment in addition to the remittance, plus interest at the rate of one-half of 1 percent per month, or fraction thereof, from the 15th day of the third month next succeeding the calendar quarter for which the remittance became due and payable until the date of payment. An assessment of interest or a penalty pursuant to this section may be made as a deficiency assessment in the manner provided for deficiency assessments of the annual tax.

12265. Where a computation of an insurer's quarterly payments pursuant to subdivision (b) of Section 12252 is less than one-fourth of the annual tax, the insurer shall pay interest upon the amount by which it is less than one-fourth of the annual tax at the rate of 6 percent per year from the due date of the prepayment until the date that the amount is actually paid or the due date of the annual tax, whichever is the earlier. If, however, the insurer establishes that the amount of a quarterly payment computed pursuant to subdivision (b) of Section 12252 is at least equal to the amount of a quarterly payment computed pursuant to subdivision (a) of that section, no interest shall be payable.

12266. The provisions of this article apply to the State Compensation Insurance Fund as well as to private insurers.

Sec 3 Section 12302 of said code is amended to read:

12302. On or before June 15 every person who is subject to any tax imposed by the provisions of Section 14 $\frac{1}{2}$ of Article XIII of the Constitution or of this part, in respect to the preceding calendar year shall file, in duplicate, an insurance tax return with the commissioner in such form as the commissioner may prescribe. The return shall show such information pertaining to its insurance business in this State as will reflect the basis of its tax as set forth in Chapters 2 (commencing with Section 12071) and 3 (commencing with Section 12201) of this part, the computation of the amount of tax for the period covered by the return, the total amount of any prepayments made pursuant to Article 5 (commencing with Section 12251) of Chapter 3 of this part, and such other information as the commissioner may require to carry out the purposes of this part. Separate returns shall be filed with respect to the following kinds of insurance:

(a) Life insurance (or life insurance and disability insurance).

(b) Ocean marine insurance.

(c) Title insurance.

(d) Insurance other than life insurance (or life insurance and disability insurance), ocean marine insurance or title insurance.

SEC. 4. Section 12305 of said code is amended to read:

12305. The insurer required to file a return shall deliver the return in duplicate, together with a remittance payable to the Controller, for the amount of tax computed and shown thereon, less any prepayments made pursuant to Article 5 (commencing with Section 12251) of Chapter 3 of this part, to the office of the commissioner.

CHAPTER 4

An act to amend Sections 1775.5 and 12974 of, and to add Sections 1775.6 and 1775.7 to, the Insurance Code, relating to surplus line broker taxes, and other revenue received by the Insurance Commissioner.

[Approved by Governor July 23, 1963. Filed with
Secretary of State July 24, 1963.]

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

SECTION 1. Section 1775.5 of the Insurance Code is amended to read:

1775.5. Every surplus line broker shall annually, on or before the first day of July of each year prior to January 1, 1965, and on or before the 15th day of June of each year thereafter pay to the Insurance Commissioner for the use of the State of California a tax of 3 percent of the gross premiums upon business done by him under authority of his license during the preceding calendar year, less 3 percent of return premiums paid by him in that year by reason of cancellation or reduction of premium, excluding gross premiums paid and return premiums paid by him upon business governed by the provisions of Section 1760.5. If during any calendar year 3 percent of such return premiums paid by a surplus line broker exceeds 3 percent of the gross premiums upon such business done by him in that year, then he may either carry forward such excess to the next succeeding year and apply it as a credit against 3 percent of gross premiums on such business done by him in such succeeding year, or he may elect to receive, and thereupon be paid a refund equal to the amount of taxes thereupon paid by him on such excess of return premiums paid over gross premiums received.

For the purpose of determining such tax, the total premium charged for all such nonadmitted insurance placed in a single transaction with one underwriter or group of underwriters, whether in one or more policies, shall be allocated to this State in such proportion as the total premium on the insured properties or operations in this State, as computed on the exposure in this State on the basis of any single standard rating method in use in all states or countries where such insurance applies, bears to the total premium so computed in all states or coun-

tries in which such nonadmitted insurance may apply. This provision shall not apply to interstate motor transit operations conducted between this and other states. With respect to such operations surplus line tax shall be payable on the entire premium charged on all nonadmitted insurance, less

A. Such portion of the premium as is determined, as herein provided, to have been charged for operations in other states taxing such premium on operations in such states of an insured maintaining its headquarters office in this State;

B. The premium for any operations outside of this State of an insured who maintains a headquarters operating office outside of this State and a branch office in this State.

A penalty of 1 percent shall be added for each calendar month or fraction thereof after said first day of July during which such tax or any portion thereof remains unpaid, except that the commissioner may remit the penalty in a case where the commissioner finds, as a result of examination or otherwise, that the failure of or delay in payment arose out of excusable mistake or excusable inadvertence.

SEC. 2. Section 12974 of said code is amended to read:

12974. All moneys received by the commissioner for fees, fines, penalties, taxes other than a tax levied pursuant to Chapter 6 (commencing with Section 1760) of Part 2 of Division 1 of this code, or from similar sources, and belonging to the State, shall be accounted for and reported monthly by the commissioner to the State Controller. At the same time such moneys shall be remitted to the State Treasurer to the credit of the Insurance Fund, which fund is continued in existence. The money in said fund is hereby appropriated to the commissioner to be expended in accordance with law in the administration and enforcement of the provisions of this code and other insurance laws.

SEC. 3. Section 1775.6 is added to said code, to read:

1775.6. All tax moneys received by the commissioner pursuant to this chapter shall be transmitted to the State Treasurer to be deposited in the State Treasury to the credit of the Insurance Tax Fund. Upon transmitting moneys to the State Treasurer, the commissioner shall furnish the Controller with a record of the amount transmitted and the surplus line brokers from whom the moneys have been received

SEC. 4. Section 1775.7 is added to said code, to read:

1775.7. The money in the Insurance Tax Fund received from the commissioner pursuant to Section 1775.6 is hereby appropriated as follows:

- (a) To pay the refunds authorized by this chapter.
- (b) The balance of the money in the fund shall, on order of the Controller, be transferred to the State General Fund.

CHAPTER 5

An act to add Part 15 (commencing with Section 35001) to Division 2 of the Revenue and Taxation Code, relating to pay television.

[Approved by Governor July 24, 1963. Filed with Secretary of State July 25, 1963.]

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

SECTION 1. Part 15 (commencing with Section 35001) is added to Division 2 of the Revenue and Taxation Code, to read:

PART 15. SUBSCRIPTION TELEVISION

35001. For the purposes of this part, the following terms, phrases, words, and their derivations shall have the following meanings unless otherwise indicated by the context:

(a) "Local agency" shall mean a county, a city (whether general law or chartered city) and a city and county. For the purpose of applying Section 35003, the term "local agency" when used in reference to a county includes only unincorporated areas of such county.

(b) "Subscription television" shall mean closed circuit television which is provided to and can be received only by subscribers. The provisions of this part shall not apply to community antenna television systems, hotel or apartment antenna systems, or educational television systems, whether closed or open circuit.

(c) "Subscription television business" shall mean the business of operating and providing subscription television to subscribers by the use of wires, lines, coaxial cables, wave guides or other tangible conduits of communication for the transmission to subscribers of television and music, including connecting the establishments of subscribers, or causing such establishments to be connected, with such communication conduits; provided, however, that this part shall not apply to a telephone or telegraph corporation subject to regulation by the Public Utilities Commission of the State of California when such telephone or telegraph corporation furnishes channels for the transmission of subscription television programs by a subscription television corporation.

(d) "Subscription television corporation" shall mean a person, firm, partnership or corporation owning, controlling, operating or managing a subscription television business.

(e) "Subscriber" shall mean any person, firm, partnership, corporation or other public or private entity agreeing to receive subscription television.

(f) "Total gross receipts" shall mean any and all compensation and other consideration in any form whatever received directly or indirectly by a subscription television corporation.

or sponsors. Total gross receipts shall not include any taxes on the services furnished by a subscription television corporation imposed directly on subscribers, or any fees payable pursuant to Section 35003 to the State or any local agency, and collected from subscribers by such subscription television corporation.

35002 A subscription television corporation shall have authority to engage in the subscription television business in this State and within all or part of any local agency, local agencies, or combinations thereof, and in connection therewith to connect the establishments of subscribers, or to cause such establishments to be connected, with communication conduits by erecting, installing, constructing, repairing, replacing, reconstructing, maintaining and retaining such poles, wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments and other property as may be necessary for such purpose, in, on, over, along and across any public street, road, highway or freeway or in, on, over, along and across any of the waters within this State in such manner and at such points as not to incommode the public use of the street, road, highway or freeway or to interrupt the navigation of the waters

35003. (a) Each subscription television corporation shall pay quarterly to the State one percent (1%) of the total gross receipts received in such quarter by such subscription television corporation. All amounts required to be paid to the State under this subdivision shall be paid to the State Board of Equalization.

(b) In addition thereto such subscription television corporation shall pay to each local agency within which it is conducting operations one percent (1%) of the total gross receipts received in such quarter by such subscription television corporation from subscribers or sponsors whose establishments at which subscription television was provided were within such local agency at the time such revenues were received. The quarterly payments to a local agency required by this subdivision are in lieu of all other taxes or fees imposed by the local agency receiving the payments upon the subscription television corporation for the privilege of exercising any franchise or engaging in business. The State Board of Equalization shall collect any amount required to be paid to a local agency under this subdivision, and shall transmit to the local agency involved the amount so collected as promptly as feasible.

(c) The State Board of Equalization shall enforce the provisions of this part and shall adopt such reasonable rules and regulations as they may deem necessary or proper to provide for and facilitate the making and reporting of payments provided for in this section. At all reasonable times the State Board of Equalization may examine all records kept or maintained by such subscription television corporation or under its control which treat of the operations, affairs, property or transactions of the corporation with respect thereto.

CHAPTER 6

An act making an appropriation for the payment of the expenses of the Senate and Assembly and Members of the Senate and Assembly necessarily incurred by them while attending the 1963 First Extraordinary Session of the Legislature, to take effect immediately

[Approved by Governor July 24, 1963. Filed with Secretary of State July 25, 1963.]

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

SECTION 1. The sum of thirty-one thousand nine hundred twenty dollars (\$31,920) is hereby appropriated out of the General Fund in the State Treasury for the payment of the expenses of the Senate and Assembly necessarily incurred by them while attending the 1963 First Extraordinary Session of the Legislature in accordance with the following schedule:

- | | |
|--|----------|
| (a) For expenses of the Assembly, including the payment of expenses for the Members of the Assembly necessarily incurred by them while attending the 1963 First Extraordinary Session of the Legislature and the payment of mileage necessarily incurred by such members in attending such session ----- | \$21,280 |
| (b) For expenses of the Senate, including the payment of expenses for the Members of the Senate necessarily incurred by them while attending the 1963 First Extraordinary Session of the Legislature and the payment of mileage necessarily incurred by such members in attending such session ----- | \$10,640 |

SEC. 2. This act, inasmuch as it makes an appropriation for the usual current expenditures of the State, shall, under the provisions of Section 1 of Article IV of the Constitution, take effect immediately.

CHAPTER 7

An act to amend Sections 221 and 462 of, and to add Section 251 to, the Fish and Game Code, to preserve the revenues of the Department of Fish and Game by continuing the regulations of the Fish and Game Commission, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 26, 1963. Filed with Secretary of State July 26, 1963.]

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

SECTION 1. The Legislature hereby declares this act is necessary to preserve the revenues of the Department of Fish and

Game which would otherwise be lost if the regulations established by the Fish and Game Commission for the 1963-1964 hunting season are not continued. The Department of Fish and Game estimates that if such regulations are not continued the department will lose one hundred thousand dollars (\$100,000) during the 1963-1964 fiscal year, resulting from the decrease in hunting licenses which will be sold during this period and the loss of revenue from special permits which would be sold during this period. If regulations other than the 1963-1964 hunting regulations govern during this period, the opening date of the various seasons will not coincide with the first day of a weekend and numerous persons who purchase hunting licenses only the opening day or the opening weekend will not purchase such licenses. Also, the revenue from the sale of special deer hunting permits would be lost if the hunts, during which these permits are valid, are not held pursuant to the 1963 regulations.

SEC. 2. Section 221 of the Fish and Game Code is amended to read:

221. The provisions of this article are effective until the 91st day after the final adjournment of the 1965 Regular Session of the Legislature and thereafter shall have no force or effect. During the period in which such provisions are effective, they shall not apply as to deer in District 1 $\frac{3}{4}$.

SEC. 3. Section 251 is added to the Fish and Game Code, to read:

251. Notwithstanding the provisions of Sections 221 and 250, the regulations adopted by the Fish and Game Commission pursuant to Article 1 of this chapter governing the taking of birds and mammals on May 24, 1963, which were filed with the Secretary of State on June 14, 1963, which are applicable to District 1 $\frac{3}{4}$ and relate to deer shall continue in full force and effect in that district until superseded by subsequent statute.

Notwithstanding any other provision of this code, the regulations adopted by the commission pursuant to Chapter 5 (commencing with Section 450) of this division applicable to District 1 $\frac{3}{4}$ shall continue in full force and effect for the 1963-1964 fiscal year.

SEC. 4. Section 462 of said code is amended to read:

462. The provisions of this article shall have no force or effect in District 1 $\frac{3}{4}$, and shall have no force or effect elsewhere in the State in the event the provisions of Article 1 (commencing with Section 200) of Chapter 2 of Division 1 cease to be effective.

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

In order for the benefits of this act to be available during the 1963-1964 hunting season it must be in effect immediately.

CHAPTER 8

An act to amend and supplement the Budget Bill for the 1963-64 fiscal year (enacted as the Budget Act of 1963) by adding thereto Sections 2.A, 2.1 A, 2.2.A, 2.25.A, 2.3.A, 10.2 and 10.55.A, relating to 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, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor August 5, 1963 Filed with Secretary of State August 5, 1963.]

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

SECTION 1. Section 2 A is added to the Budget Bill for the 1963-64 fiscal year enacted as the Budget Act of 1963 (Chapter 1050, Stats. 1963), to read:

Sec. 2.A. The following sums of money, or so much thereof as may be necessary unless otherwise provided herein, are hereby appropriated for the use and support of the State of California for the 1963-64 fiscal year beginning July 1, 1963, and ending June 30, 1964. All such appropriations, unless otherwise herein provided, shall be paid out of the General Fund in the State Treasury.

Whenever by constitutional or statutory provision the revenues or receipts of any institution, department, board, bureau, commission, officer, employee, or other agency, or any moneys in any special fund created by law therefor, are to be used for salaries, support or any proper purpose, expenditures shall be made therefrom for any such purposes to the extent only of the amount herein appropriated, unless otherwise stated herein, or authorized pursuant to Section 11006, Government Code.

Appropriations for purposes not otherwise provided for herein which have been heretofore made by any existing constitutional or statutory provision shall continue to be governed thereby.

Item	Amount
.5—For contingent expenses of the Assembly including personal services for officers, clerks and all other employees, and legislative committees thereof composed in whole or in part of Members of the Assembly, in augmentation of Item 8, Section 2, Budget Act of 1963	125,000

Item	Amount
1—For allocation by executive order of the Department of Finance to the Supreme Court and the several district courts of appeal in augmentation of their respective appropriations for support, Budget Act of 1963, for the purpose of increased expenditures for criminal appeals fees-----	115,000
2—For support of the Co-ordinating Council on Urban Policy, as provided by Government Code Sections 34200 through 34212-----	50,000
2.1—For support of Poultry Improvement Commission, in carrying out the functions of the commission relating to turkey testing, payable from the Poultry Testing Project Fund, in augmentation of Item 41, Section 2, Budget Act of 1963, in accordance with the following schedule -----	34,500
Schedule:	
(a) Personal Services -----	19,143
(b) Operating Expenses and Equipment -----	15,357
Total of Schedule -----	34,500
2.2—For augmentation of the Poultry Testing Project Fund -----	17,997
to be transferred by the State Controller to the Poultry Testing Project Fund.	
3—For support of Departmental Administration, Adult Authority, Board of Trustees, California Institution for Women and Board of Corrections, Department of Corrections and institutions and prisons under the jurisdiction of the department, to be transferred to and in augmentation of the support appropriations, Budget Act of 1963, for Departmental Administration, Adult Authority, Board of Trustees, California Institution for Women, and Board of Corrections, Department of Corrections and its institutions and prisons upon order of the Department of Finance, in accordance with the following schedule-----	504,577
Schedule:	
(a) Departmental Administration, Adult Authority, Board of Trustees, California Institution for Women and Board of Corrections -----	204,626
(b) Conservation Center -----	41,370
(c) Correctional Institution at Tehachapi -----	10,850

Item	Amount
(d) Correctional Training Facility -----	72,551
(e) Deuel Vocational Institution -----	56,343
(f) California State Prison at Folsom -----	19,549
(g) Medical Facility -----	15,905
(h) California Men's Colony— East Facility -----	20,355
(i) California Rehabilitation Center -----	21,595
(j) California State Prison at San Quentin -----	39,701
(k) California Institution for Women -----	1,732
Total of schedule -----	504,577
4—For support of Departmental Administration, Department of the Youth Authority and agencies under the jurisdiction of the depart- ment, to be transferred to and in augmenta- tion of the support appropriations, Budget Act of 1963, of the department and its agen- cies upon order of the Department of Fi- nance, in accordance with the following sched- ule -----	397,115
Schedule:	
(a) Departmental Admin- istration -----	266,725
(b) Northern California Recep- tion Center and Clinic ----	5,322
(c) Southern California Recep- tion Center and Clinic ----	5,306
(d) Fricot Ranch School for Boys -----	17,879
(e) Fred C. Nelles School for Boys -----	10,140
(f) Preston School of Industry_	63,073
(g) Youth Training School ----	12,230
(h) Los Guilucos School for Girls -----	5,199
(i) Ventura School for Girls---	11,241
Total of schedule -----	397,115
5—For support of Department of Education... provided, that the appropriation made by this item is limited to carrying out the provisions of Chapter 98, Statutes of 1963.	346,000

Item	Amount
6—For support of University of California, exempt from Section 31, Budget Act of 1963, in accordance with the following schedule—	548,000
Schedule:	
(a) Instruction and Research	322,000
(b) Organized Research	140,000
(c) Libraries	76,000
(d) University extension— “Man in California— 1980”	10,000
Total of schedule	548,000
7—For support of the California State Colleges, to be transferred to and in augmentation of the support appropriations, Budget Act of 1963, of the various state colleges, upon the order of the Trustees of the California State Colleges, in accordance with the following schedule	1,210,943
Schedule:	
(b) Faculty Out-of-State Travel	42,612
(c) Improvement of College Libraries	832,645
(d) Library Book Processing	262,720
(e) Admissions and Records Personnel	72,966
Total of schedule	1,210,943
8—For support of Trustees of the California State Colleges, in augmentation of Item 103, Section 2, Budget Act of 1963, in accordance with the following schedule	15,000
Schedule:	
(a) Operating Expenses and Equipment	15,000
Total of schedule	15,000
9—For support of State College for Alameda County, in augmentation of Item 105, Section 2, Budget Act of 1963, in accordance with the following schedule	
Schedule:	
(a) Personal Services	10,218
Total of schedule	10,218
Less estimated reimbursements	10,218
Net appropriation	-----

Item	Amount
10—For support of Chico State College, in augmentation of Item 106, Section 2, Budget Act of 1963, in accordance with the following schedule -----	---
Schedule:	
(a) Personal Services -----	19,148
	<hr/>
Total of schedule -----	19,148
Less estimated reimbursements ----	19,148
	<hr/>
Net appropriation -----	--
11—For support of Fresno State College, in augmentation of Item 107, Section 2, Budget Act of 1963, in accordance with the following schedule -----	---
Schedule:	
(a) Personal Services -----	14,150
	<hr/>
Total of schedule -----	14,150
Less estimated reimbursements ----	14,150
	<hr/>
Net appropriation -----	--
12—For support of Humboldt State College, in augmentation of Item 108, Section 2, Budget Act of 1963, in accordance with the following schedule -----	---
Schedule:	
(a) Personal Services -----	3,372
	<hr/>
Total of schedule -----	3,372
Less estimated reimbursements ----	3,372
	<hr/>
Net appropriation -----	--
13—For support of Long Beach State College, in augmentation of Item 109, Section 2, Budget Act of 1963, in accordance with the following schedule -----	---
Schedule:	
(a) Personal Services -----	6,000
	<hr/>
Total of schedule -----	6,000
Less estimated reimbursements ----	6,000
	<hr/>
Net appropriation -----	--
14—For support of Los Angeles State College of Applied Arts and Sciences, in augmentation of Item 110, Section 2, Budget Act of 1963, in accordance with the following schedule ----	---

Item	Amount
Schedule:	
(a) Personal Services -----	41,097
	<hr/>
Total of schedule -----	41,097
Less estimated reimbursements ----	41,097
	<hr/>
Net appropriation -----	--
15—For support of Orange State College, in augmentation of Item 111, Section 2, Budget Act of 1963, in accordance with the following schedule -----	--
Schedule:	
(a) Personal Services -----	4,900
	<hr/>
Total of schedule -----	4,900
Less estimated reimbursements ----	4,900
	<hr/>
Net appropriation -----	--
16—For support of Sacramento State College, in augmentation of Item 112, Section 2, Budget Act of 1963, in accordance with the following schedule -----	--
Schedule:	
(a) Personal Services -----	46,752
	<hr/>
Total of schedule -----	46,752
Less estimated reimbursements ----	46,752
	<hr/>
Net appropriation -----	--
17—For support of San Diego State College, in augmentation of Item 114, Section 2, Budget Act of 1963, in accordance with the following schedule -----	--
Schedule:	
(a) Personal Services -----	55,388
	<hr/>
Total of schedule -----	55,388
Less estimated reimbursements ----	55,388
	<hr/>
Net appropriation -----	--
18—For support of San Fernando Valley State College, in augmentation of Item 115, Section 2, Budget Act of 1963, in accordance with the following schedule -----	--
Schedule:	
(a) Personal Services -----	8,656
	<hr/>
Total of schedule -----	8,656
Less estimated reimbursements ----	8,656
	<hr/>
Net appropriation -----	--

Item	Amount
25—For research projects, Department of Mental Hygiene, in augmentation of Item 151, Section 2, Budget Act of 1963, to be expended only on allocations to agencies of the Department of Mental Hygiene authorized by the Department of Finance-----	500,000
The appropriation made by this item shall remain available for allocation, reallocation, and expenditure, until June 30, 1966.	
And in addition any amounts received for research projects from federal grants or other sources shall be available for expenditure in accordance with the provisions of this item.	
26—For support of Department of Public Health, in augmentation of Item 170, Section 2, Budget Act of 1963, in accordance with the following schedule -----	211,944
Schedule:	
(b) Operating Expenses and Equipment -----	211,944
Total of schedule----- 211,944	
27—For support of Department of Industrial Relations, in augmentation of Item 185, Section 2, Budget Act of 1963, in accordance with the following schedule -----	75,000
Schedule:	
(a) Personal Services -----	39,276
(b) Operating Expenses and Equipment -----	35,724
Total of schedule ----- 75,000	
28—For support of Resources Agency, in augmentation of Item 238, Section 2, Budget Act of 1963, in accordance with the following schedule -----	29,980
Schedule:	
(a) Personal Services -----	18,360
(b) Operating Expenses and Equipment -----	11,620
Total of schedule----- 29,980	
29—For support of Department of Conservation, in augmentation of Item 239, Section 2, Budget Act of 1963, and in addition thereto any amounts received from sale of mineral information service, and an amount equal to that received under Section 2210 of the Pub-	

Item	Amount
<p>lic Resources Code from the sale of publications issued by the Division of Mines and Geology, in accordance with the following schedule -----</p> <p>Schedule:</p> <p style="padding-left: 2em;">(a) Personal Services ----- 8,633</p> <p style="padding-left: 2em;">(b) Operating Expenses and Equipment ----- 9,753</p> <p style="padding-left: 4em;">Total of schedule ----- 18,386</p>	18,386
30—For support of Department of Conservation, to be transferred to and in augmentation of Item 239, Section 2, Budget Act of 1963, upon order of the Department of Finance -----	300,000
30.5—For expenditure by the Department of Public Works for investigating and planning landslide remedial measure projects along state highways, payable from the School Land Fund -----	240,000
<p>provided, that no money shall be expended from this appropriation for the investigation and planning of any project unless and until a county, city, or district has executed an agreement with the department under which it agrees to repay the amount expended by means of deferred payments within 25 years, with repayments to be made in such amounts and at such times as specified, together with a charge fixed by the Pooled Money Investment Board in an amount estimated by it to equal the revenue which the State would have derived by investing the total deferred payment at the interest rate prevailing for legal state investments at the time the money was expended. All money received from the county, city, or district shall be deposited in the State Treasury to the credit of the School Land Fund.</p>	
31—For transfer to the Water Resources Revolving Fund, to be transferred by the State Controller in such amounts as the Department of Finance may authorize, for support of Department of Water Resources for conducting geologic investigations, surveys, and studies, and preparing reports thereon of ground water basins in Orange County adequate for use in development of plans for ground water management -----	55,000

Item	Amount
31.5—For transfer to the Water Resources Revolving Fund to be transferred by the State Controller in such amounts as the Department of Finance may authorize for support of the Department of Water Resources for a final feasibility study for actual construction on the Box Canyon Project on the Sacramento River in the County of Siskiyou-----	75,000
32—For transfer to the Water Resources Revolving Fund, to be transferred by the State Controller in such amounts as the Department of Finance may authorize, to formulate a comprehensive water development plan and identify initial features in coastal San Mateo County -----	70,453
33—For transfer to the Water Resources Revolving Fund, to be transferred by the State Controller in such amounts as the Department of Finance may authorize, for the support of the Department of Water Resources for a reconnaissance study and report on the Ewing Dam and Reservoir located in Ewing Gulch approximately one-half mile north of Hayfork in the County of Trinity-----	7,000
34—For transfer to the Water Resources Revolving Fund, to be transferred by the State Controller in such amounts as the Department of Finance may authorize, for further state participation in the administration of watermaster service areas -----	28,000
35—For Salary Increase Fund, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, the University of California, the Trustees of the California State Colleges, and other state agencies, in augmentation of their respective appropriations for support or for other purposes, in such amounts as will make sufficient money available to be paid each state officer or employee in the state service whose compensation, or a portion thereof is chargeable to the General Fund, the increase in compensation provided for in any increased salary range or rate including retirement contributions established on or after January 1, 1964 for the 1963-64 and 1964-65 fiscal years by a salary-fixing authority, in accordance with the following schedule -----	48,300,000

Item

Amount

Schedule:

- | | |
|--|------------|
| (a) For salaries set by the State
Personnel Board ----- | 38,600,000 |
| (b) For nonacademic salaries set
by the Regents of the Uni-
versity of California----- | 7,275,000 |
| (c) For nonacademic salaries set
by the Trustees of the Cali-
fornia State Colleges----- | 2,425,000 |

Total of schedule-----48,300,000

The appropriation made by this item shall remain available for expenditure until June 30, 1965; provided, that during the 1963-64 fiscal year expenditures from the above schedule shall not be more than \$11,900,000 for salaries set by the State Personnel Board, \$2,025,000 for nonacademic salaries set by the Regents of the University of California and \$675,000 for nonacademic salaries set by the Trustees of the California State Colleges.

For state officers and employees whose compensation, or portion thereof, is chargeable to special funds, there is hereby appropriated from each special fund, to which such compensation is chargeable, an amount sufficient to provide increases in compensation including retirement contributions for each such officer or employee, in accordance with this item, which amount is to be made available by executive order of the Department of Finance in augmentation of their respective appropriations for support or for other purposes.

Allocation to any salary-fixing authority shall be made by the Department of Finance upon certification by that salary-fixing authority that any classification proposed for salary range increase is at least 5 percent below comparable salaries being paid in private business and public employment on January 1, 1964; and if any classification does not qualify for salary range change on this date, such classification shall not be certified until such classification is actually found to be at least 5 percent below such comparable employment, but in no case prior to July 1, 1964.

Allocations to the University of California shall be made by the Department of Finance upon certification by the regents that pro-

Item

Amount

posed salary ranges are substantially comparable to the prevailing rates for comparable services in private business and public employment including the California state services.

Allocations to the Trustees of the California State Colleges shall be made by the Department of Finance upon certification by the Trustees of the California State Colleges that proposed salary ranges are substantially comparable to the prevailing rates for comparable services in private business and public employment, including the California state services; provided, that such allocations may be further allocated or reallocated upon order of the Trustees of the California State Colleges to the trustees of state colleges.

Before any administrative salary-fixing authority establishes any increased salary range, a certification shall be obtained from the Department of Finance that sufficient money either is available in funds authorized for the agencies or may be made available from the appropriation in this item, to meet the cost of the increased salary range.

- 36—For university salary increases, to be allocated by the Department of Finance to the Regents of the University of California, in augmentation of its appropriation for support or for other purposes, in such amounts as will defray the cost, including retirement contributions, of increases in compensation provided for in any increased salary range for academic classes established on or after January 1, 1964 for the 1963-64 and 1964-65 fiscal years by the regents

5,550,000

The appropriation made by this item shall remain available for expenditure until June 30, 1965; provided, that during the 1963-64 fiscal year expenditures shall not be more than \$1,850,000, provided further, that increase in compensation provided by increased salary ranges established during the 1963-64 or 1964-65 fiscal years shall not result in total annual salary increases of more than \$3,700,000.

Allocations to the University of California shall be made by the Department of Finance upon certification by the regents that proposed salary ranges are substantially compa-

Item	Amount
<p>able to the prevailing rates for comparable services in private business and public employment including the California state services.</p> <p>37—For California state colleges' salary increases, to be allocated by the Department of Finance to the Trustees of the California State Colleges, in augmentation of appropriations for support or for other purposes, in such amounts as will defray the cost, including retirement contributions, of increases in compensation provided for in any increased salary range for academic classes established on or after January 1, 1964 for the 1963-64 and 1964-65 fiscal years by the Trustees of the California State Colleges -----</p>	4,350,000
<p>The appropriation made by this item shall remain available for expenditure until June 30, 1965; provided, that during the 1963-64 fiscal year expenditures shall not be more than \$1,450,000, provided further, that increases in compensation provided by increased salary ranges established during the 1963-64 or 1964-65 fiscal years shall not result in total annual salary increases of more than \$2,900,000.</p> <p>Allocations to the Trustees of the California State Colleges shall be made by the Department of Finance upon certification by the Trustees of the California State Colleges that proposed salary ranges are substantially comparable to the prevailing rates for comparable services in private business and public employment including the California state services; provided, that such allocations may be further allocated or reallocated upon order of the Trustees of the California State Colleges to state colleges.</p>	
<p>39—For salary increases, to be allocated by the Department of Finance to the several state offices, boards, bureaus, commissions, departments and other state agencies, in augmentation of appropriations for support or other purposes, in such amounts as will defray the cost, including retirement contributions, of increases in compensation provided for in any increased salary range established on or after January 1, 1964 upon approval by the Department of Finance for the 1963-64 and 1964-65 fiscal years-----</p>	270,000

Item

Amount

The appropriation made by this item shall remain available for expenditure until June 30, 1965; provided, that during the 1963-64 fiscal year expenditures shall not be more than \$90,000.

For state officers and employees whose compensation, or portion thereof, is chargeable to special funds, there is hereby appropriated from each special fund to which such compensation is chargeable, an amount sufficient to provide increases in compensation including retirement contributions for each such officer or employee, in accordance with this item, which amount is to be made available by executive order of the Department of Finance in augmentation of their respective appropriations for support or for other purposes.

- 40—For the administration, investigation, adjustment, defense and payment of tort liability claims, settlements, compromises and judgments against the State, its officers, servants and employees, where the claim arose after July 1, 1963, for expenditure by the Department of Finance in its discretion in respect to, or for allocation by the Department of Finance in its discretion to, state agencies, departments, boards, bureaus or commissions supported from the General Fund; or for the purchase of insurance protecting the State, its officers, servants and employees against such tort liability claims, including the defense of such claims whether or not liability exists, Department of Finance-----

990,000

and in addition thereto there is hereby appropriated from each fund, other than the General Fund, an amount sufficient to pay the cost of administration, investigation, adjustment, defense, and payment of tort liability claims, settlements, compromises and judgments against the State or the state agency supported from such fund, arising from activities of such state agency, or for the purchase of insurance protecting the State, its officers, servants and employees of such state agency against tort liability claims and for the defense of such claims whether or not liability exists; provided, that no expenditures from any such appropriation from a fund other than the General Fund for payment of tort

Item	Amount
liability claims shall be made unless approved by the Department of Finance in its discretion; and provided further, that any funds appropriated herein may be expended for either, or any combination, of the purposes specified herein as may be approved by the Department of Finance.	
41—For transfer to the Special Deposit Fund ---- such transfer to be made by the State Controller upon order of the Department of Finance, to be expended by the San Francisco World Trade Center Authority.	60,238
41.5—For augmentation of Service Revolving Fund, in augmentation of Item 291, Section 2, Budget Act of 1963, to be transferred by the State Controller in such amounts as the Department of Finance may authorize for purchase and modification and expense related to operation, of an executive airplane-----	475,000

SEC. 2. Section 2.1.A is added to said act, to read:

CAPITAL OUTLAY SECTION

SEC. 2.1 A. The following sums of money, or so much thereof as may be necessary, are hereby appropriated for expenditure during the 1963-64, 1964-65 and 1965-66 fiscal years. All such appropriations, unless otherwise herein provided, shall be paid out of the General Fund in the State Treasury.

Item	Amount
42—For capital outlay, Department of Corrections, in augmentation of Item 299.1, Section 2.1, Budget Act of 1963, in accordance with the following schedule-----	234,036
Schedule:	
(a) Minor projects -----	234,036
Total of schedule-----	234,036
to be allocated by the Department of Finance.	
43—For capital outlay, Department of the Youth Authority, in augmentation of Item 309.1, Section 2.1, Budget Act of 1963, in accordance with the following schedule-----	207,095
Schedule:	
(a) Minor projects -----	207,095
Total of schedule-----	207,095
to be allocated by the Department of Finance.	

Item	Amount
44—For capital outlay, University of California, in augmentation of Item 321, Section 2.1, Budget Act of 1963, exempt from Section 31, Budget Act of 1963, in accordance with the following schedule -----	974,700
provided, that withdrawals shall be as required to meet current obligations as certified by the University of California, notwithstanding any other provision of law. Schedule:	
(a) Minor projects -----	974,700
Total of schedule -----	974,700
45—For capital outlay, California State Colleges, in augmentation of Item 322.1, Section 2.1, Budget Act of 1963, in accordance with the following schedule -----	514,814
Schedule:	
(a) Minor projects -----	514,814
Total of schedule -----	514,814
to be allocated by the Department of Finance.	
46—For capital outlay, Fresno State College, in accordance with the following schedule -----	75,000
Schedule:	
(a) Construct outdoor physical education facilities— baseball -----	75,000
Total of schedule -- --	75,000
47—For capital outlay, Department of Finance, in augmentation of Item 337, Section 2.1, Budget Act of 1963, in accordance with the following schedule -----	70,000
Schedule:	
(j) Land acquisition in or near San Fernando Valley Administration Center -----	70,000
Total of schedule -----	70,000
47.5—For capital outlay, California Museum of Science and Industry, in augmentation of Item 338, Section 2.1, Budget Act of 1963, in accordance with the following schedule -----	200,000
Schedule:	
(b) Construct Hall of Health ---	200,000
Total of schedule -----	200,000

Item	Amount
48—For capital outlay, Department of Mental Hygiene, in augmentation of Item 339 1, Section 2.1, Budget Act of 1963, in accordance with the following schedule-----	538,190
Schedule:	
(a) Minor projects -----	538,190
Total of schedule-----	538,190
to be allocated by the Department of Finance.	
48 5—Of the amount appropriated by Section 10.7 of the Budget Act of 1963, \$95,000 may be expended by the Military Department for construction of an armory at Porterville.	
49—For capital outlay, Department of Parks and Recreation, Division of Beaches and Parks, in augmentation of Item 361, Section 2.1, Budget Act of 1963, in accordance with the following schedule -----	2,580,100
Schedule:	
(a) Land acquisition—statewide	500,000
(b) Anza-Borrego Desert State Park—campground development at Culp Valley-----	213,100
(g) Del Norte Coast Redwoods State Park—initial development -----	416,200
(j) Henry Cowell Redwoods State Park—continuing development -----	107,300
(n) La Costa Beach State Park—general development -----	730,100
(o) Millerton Lake State Park—continuing development -----	232,200
(t) Sonoma Coast State Park—continuing development -----	345,900
(v) Minor projects -----	20,300
(w) Los Encinos State Historical Monument—beautification of the grounds-----	15,000
Total of schedule-----	2,580,100
50—For expenditure by the Department of Water Resources, in co-operation with the federal government, pursuant to Sections 340 to 342, inclusive, of the Water Code, for repair and restoration of the Daguerre Point Debris Dam on the Yuba River, or for reimbursement of the appropriation made by Item 446.7, Budget Act of 1958, as amended by Section 12, Budget Act of 1960, to the extent that money	

Item	Amount
from such appropriation is expended for the repair and restoration of said dam pursuant to Chapter 572, Statutes of 1963-----	800,000

SEC. 3. Section 2.2.A is added to said act, to read:

STATE CONSTRUCTION BOND ACT PROGRAM

Sec. 2.2.A. The following sums of money, or so much thereof as may be necessary, are hereby appropriated for expenditure during the 1963-64, 1964-65 and 1965-66 fiscal years for expenditure only for the programs contemplated by the State Construction Program Bond Act of 1955, the State Construction Program Bond Act of 1958, the State Construction Program Bond Act of 1962, or any State Construction Program Bond Act thereafter enacted. All such appropriations shall be paid out of the State Construction Program Fund.

Item	Amount
51—For capital outlay, University of California, in augmentation of Item 376, Section 2.2, Budget Act of 1963, exempt from Section 31, Budget Act of 1963, in accordance with the following schedule, payable from the State Construction Program Fund -----	7,559,400
provided, that withdrawals shall be as required to meet current obligations as certified by the University of California notwithstanding any other provision of law.	
Schedule:	
(dddd) Construct academic areas and dining facilities of residential college No. 1—Santa Cruz -----	1,005,000
(eeee) Construct and equip central services building—Santa Cruz -----	659,900
(ffff) Construct physical sciences unit 1—Santa Cruz----	3,347,000
(gggg) Working drawings for library unit 1—Santa Cruz. .	92,500
(hhhh) Construct and equip utilities and site development—Santa Cruz -----	724,500
(iiii) Construct multipurpose unit—Irvine -----	1,730,500
Total of schedule-----	<u>7,559,400</u>
51.5—For site acquisition, to be expended by the Trustees of the California State Colleges for the acquisition of the following described real	

Item	Amount
<p>property: approximately 17 acres along Zelzah Avenue, lying between the south boundary of state property formerly known as the 51st District Agricultural Association Fairgrounds and the north line of the campus of San Fernando Valley State College in the City of Los Angeles, payable from the State Construction Program Fund -----</p> <p>provided, that the appropriation made by this item shall be in lieu of, and no expenditures shall be made from, the appropriation contained in Section 3 of Assembly Bill No. 2490 of the 1963 Regular Session. It is the intent of the Legislature in making this appropriation that an amount equal or nearly equal thereto will be reimbursed to the State Construction Program Fund in accordance with the provisions of Section 2 of "An act authorizing the acquisition and disposal of real property by the State, and making an appropriation therefor," as proposed to be enacted by Assembly Bill No. 2490 of the 1963 Regular Session, which provides that all money received from the sale of the property described in said Section 2 shall be paid into the State Construction Program Fund, except that any costs or expenses necessarily incurred in the sale shall be reimbursed from the proceeds of sale.</p>	500,000
<p>52—For capital outlay, Long Beach State College, in augmentation of Item 382, Section 2.2, Budget Act of 1963, in accordance with the following schedule, payable from the State Construction Program Fund-----</p> <p style="padding-left: 2em;">(b) Construct physical education building addition-----</p>	3,290,000
<p style="text-align: right;">Total of schedule-----</p>	3,290,000
<p>53—For capital outlay, San Bernardino-Riverside State College, in augmentation of Item 386, Section 2.2, Budget Act of 1963, in accordance with the following schedule, payable from the State Construction Program Fund--</p> <p>Schedule:</p> <p style="padding-left: 2em;">(b) Initial complement of library books — first increment -----</p>	150,000
<p style="text-align: right;">Total of schedule-----</p>	150,000

Item	Amount
54—For capital outlay, South Bay State College, in augmentation of Item 392, Section 2.2, Budget Act of 1963, in accordance with the following schedule, payable from the State Construction Program Fund-----	150,000
Schedule:	
(b) Initial complement of library books — first increment -----	150,000
Total of schedule-----	150,000
55—For capital outlay, Stanislaus State College, in augmentation of Item 393, Section 2.2, Budget Act of 1963, in accordance with the following schedule, payable from the State Construction Program Fund-----	50,000
Schedule:	
(f) Working drawings for gymnasium -----	50,000
Total of schedule-----	50,000
56.5—For capital outlay for junior colleges, to the Department of Education for expenditure pursuant to Chapter 6 (commencing with Section 25546.01) of Division 18.5 of the Education Code, as added by Senate Bill No. 1515 of the 1963 Regular Session, payable from the State Construction Program Fund-----	20,000,000
provided, that the appropriation made by this item shall be in lieu of, and no expenditure shall be made from, the appropriation of \$20,000,000 from the State Construction Program Fund contained in Section 2 of Chapter 1790 of the Statutes of 1963 (S.B. 1515 of the 1963 Regular Session).	

SEC. 4. Section 2.25.A is added to said act, to read:

STATE BEACH AND PARK ACQUISITION PROGRAM

Sec. 2.25.A. The following sums of money, or so much thereof as may be necessary, are hereby appropriated from the General Fund for expenditure during the 1963-64, 1964-65 and 1965-66 fiscal years.

Item	Amount
57—For capital outlay, Department of Parks and Recreation, in augmentation of Item 406 8, Section 2.25, Budget Act of 1963, in accord-	

Item	Amount
ance with the following schedule -----	200,000
Schedule :	
(q) Anza Borrego — real prop- erty acquisition --- -----	200,000
Total of schedule.....	200,000

SEC. 5. Section 2.3 A is added to said act, to read :

LOCAL ASSISTANCE SECTION

Sec. 2.3.A. The following sums of money, or so much thereof as may be necessary unless otherwise provided herein, are hereby appropriated for the use and support of the State of California for the 1963-64 fiscal year beginning July 1, 1963, and ending June 30, 1964. All such appropriations, unless otherwise herein provided, shall be paid out of the General Fund in the State Treasury.

Whenever by constitutional or statutory provision the revenues or receipts of any institution, department, board, bureau, commission, officer, employee, or other agency, or any moneys in any special fund created by law therefor, are to be used for salaries, support or any proper purpose, expenditures shall be made therefrom for any such purposes to the extent only of the amount herein appropriated, unless otherwise stated herein, or authorized pursuant to Section 11006, Government Code.

Appropriations for purposes not otherwise provided for herein which have been heretofore made by any existing constitutional or statutory provision shall continue to be governed thereby.

Item	Amount
58—For reimbursements to counties for maintenance of juvenile homes and camps, Department of the Youth Authority, in augmentation of Item 407, Section 2.3, Budget Act of 1963, to be expended in accordance with the provisions of Sections 880 through 890 of the Welfare and Institutions Code -----	443,770
59—For reimbursements to counties for construction of juvenile homes and camps, Department of the Youth Authority, in augmentation of Item 409, Section 2.3, Budget Act of 1963, to be expended in accordance with Section 891 of the Welfare and Institutions Code	379,150
60—For assistance to local agencies in the establishment and operation of mental health services, in accordance with the provisions of Division 8 of the Welfare and Institutions Code	

Item	Amount
provided, that the appropriation made by this item is subject to legislation authorizing additional state expenditures under Division 8 of the Welfare and Institutions Code, to be transferred on order of the Department of Finance in augmentation of Item 416, Section 2.3, Budget Act of 1963-----	2,000,000
61—For assistance to counties, and cities and counties, to be expended for services to physically handicapped children, including children diagnosed as suffering from phenylketonuria in accordance with provisions of Sections 249 through 271 of the Health and Safety Code, Department of Public Health, in augmentation of Item 418, Section 2.3, Budget Act of 1963 -----	2,864,000
62—For assistance to counties by the establishment of local health services in accordance with Section 1157 of the Health and Safety Code, Department of Public Health, in augmentation of Item 420, Section 2.3, Budget Act of 1963 -----	80,157
63—For assistance to cities, counties, local health agencies and local health districts for the establishment of minimum standards of personnel, organization and administration of local health departments, in accordance with the provisions of Chapter 8, Part 2, Division 1 of the Health and Safety Code, Department of Public Health, in augmentation of Item 421, Section 2.3, Budget Act of 1963-----	132,157
64—For assistance to local agencies for the treatment of physically handicapped minors by physical and occupational therapy to be provided in special schools and classes with assignment of therapists based on the number of children with cerebral palsy requiring therapy and that treatment be made available for other disabling conditions only on a "time available" basis, Department of Public Health, in augmentation of Item 424, Section 2.3, Budget Act of 1963. Of the amount herein appropriated there may be expended so much as may be necessary by the Department of Public Health to furnish therapeutic services in those areas where it deems the local agencies are unable or not ready to employ personnel directly -----	255,897
provided, that all therapists will be transferred to the employment of local agencies by July 1, 1964.	

Item	Amount
65—For assistance to cities, counties, cities and counties, and local hospital districts in the construction of hospital facilities, Department of Public Health, in augmentation of Item 425, Section 2.3, Budget Act of 1963, to be expended under provisions of the California Hospital Survey and Construction Act	1,000,000
66—For reimbursement of expenses incurred by counties and cities in maintaining approved services for the licensing and inspection of agencies for child care and home finding, and agencies for the care of the aged, to be expended in accordance with the provisions of Sections 1622 and 2302 of the Welfare and Institutions Code, and for reimbursement to counties for the cost of the adoption programs and care of children, to be expended in accordance with the provisions of Sections 1640 through 1644 of the Welfare and Institutions Code, Department of Social Welfare, in augmentation of Item 427, Section 2.3, Budget Act of 1963, to be expended in accordance with the following schedule.....	746,310
Schedule:	
(a) For local inspection of homes and agencies caring for aged and children.....	41,210
(b) For reimbursement to counties for administration and cost of care of adoptions....	705,100
Total of schedule.....	746,310
provided, that all or any portion of this appropriation may be transferred to Item 173, Section 2, Budget Act of 1963, for support of Department of Social Welfare, upon order of the Department of Finance	
67—For loan to cities, counties, or districts pursuant to Section 5827 of the Public Resources Code, Department of Parks and Recreation, Division of Small Craft Harbors, payable from the Small Craft Harbor Revolving Fund	75,000
68—For grants to cities, counties, or districts pursuant to Section 5865 of the Public Resources Code, Department of Parks and Recreation, Division of Small Craft Harbors, payable from the Small Craft Harbor Revolving Fund	250,000

SEC. 6. Section 10.2 is added to said act, to read:

Sec. 10.2. During the 1963-64 fiscal year the unappropriated balance of the money appropriated by Section 19627 of the Business and Professions Code, as determined by the Department of Finance, is hereby appropriated to and in augmentation of the annual appropriation made by Section 19630 of the Business and Professions Code.

SEC. 7. Section 10.55.A is added to said act, to read:

Sec. 10.55.A. Notwithstanding Section 13.6 of the Budget Act of 1962, the appropriation made by Item 446.7, Budget Act of 1958, as amended by Section 12, Budget Act of 1960, shall be available for the purposes of the Emergency Flood Relief Law (Article 6 (commencing at Section 54150), Chapter 5, Part 1, Division 2, Title 5, Government Code) for damage or destruction by storm and flood or flood conditions which has occurred between July 1, 1961 and June 30, 1962, and the local agency has applied to the Department of Finance for an allocation of funds on or before October 1, 1963.

SEC. 7.5. In addition to any other money provided therefor, not to exceed forty-five thousand dollars (\$45,000) of the amount heretofore appropriated for the contingent expenses of the Senate and Assembly may be expended for the expenses of the Citizens Advisory Commission appointed by the Joint Committee on Legislative Organization to assist the committee in its studies of revision of the California Constitution.

SEC. 8. This act, inasmuch as it provides for an appropriation for the usual current expenses of the State, shall, under the provisions of Section 1 of Article IV of the Constitution of the State of California, take effect immediately.

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

The present provisions of the Budget Act of 1963 do not make adequate provision for the existing and anticipated shortage of physical facilities for the operation of the custodial, mental treatment, educational, administrative, military and other agencies of the state government, the present facilities being entirely inadequate due to great increases in population and added governmental responsibilities. The capital outlay appropriations in this act are all in continuation of an existing program to remedy the aforesaid shortage of facilities and to promote and sustain the economy of the State. If they are not available for expenditure at the earliest possible date, the existing program will be delayed. The expeditious correction of such condition and the efficient operation of the State's business required the immediate availability of the new capital outlay appropriation and the uninterrupted availability of reappropriated capital outlay items contained in this measure. It is therefore necessary that this act go into immediate effect.

CHAPTER 9

An act to amend Sections 18433, 18553, 18597, 18686, 18687, 18688, and 18831, and to repeal Sections 18552, 18598, and 18599, of the Revenue and Taxation Code, relating to the payment of personal income taxes.

[Approved by Governor August 9, 1963 Filed with
Secretary of State August 10, 1963.]

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

SECTION 1. Section 18433 of the Revenue and Taxation Code is amended to read:

18433. The Franchise Tax Board, whenever in its judgment good cause exists, and under such rules and regulations as it shall prescribe, may grant a reasonable extension of time for filing the return or for payment of the tax, disclosed by the return, due or to become due within the period of the extension. The Franchise Tax Board shall keep a record of every extension. Except in the case of taxpayers who are abroad, no extension or extensions may aggregate more than six months from the due date provided for the filing of returns.

SEC. 2. Section 18552 of said code is repealed.

SEC. 3. Section 18553 of said code is amended to read:

18553. The taxpayer may elect to pay the tax prior to the date prescribed for its payment.

SEC. 4. Section 18597 of said code is amended to read:

18597. When a deficiency is determined and the assessment becomes final, the Franchise Tax Board shall mail notice and demand to the taxpayer for the payment thereof. The deficiency assessed is due and payable at the expiration of 10 days from the date of the notice and demand.

SEC. 5. Section 18598 of said code is repealed.

SEC. 6. Section 18599 of said code is repealed.

SEC. 7. Section 18686 of said code is amended to read:

18686. If the tax imposed by this part, whether assessed by the Franchise Tax Board or the taxpayer, or any portion of the tax is not paid on or before the date prescribed for its payment, interest shall be assessed, collected and paid in the same manner as the tax upon the unpaid amount at the rate of 6 percent per year from the date prescribed for its payment until it is paid.

SEC. 8. Section 18687 of said code is amended to read:

18687. If the time for the payment of the tax is extended, interest thereon shall be assessed, collected and paid in the same manner as the tax at the rate of 6 percent per year from the date upon which such payment should have been made if no extension had been granted until the date the tax is paid.

SEC. 9. Section 18688 of said code is amended to read:

18688. Interest upon the amount assessed as a deficiency shall be assessed, collected and paid in the same manner as the tax at the rate of 6 percent per year from the date prescribed

for the payment of the tax until the date the tax is paid. If any portion of the deficiency is paid prior to the date it is assessed, interest shall accrue on such portion only to the date paid.

SEC. 10. Section 18831 of said code is amended to read:

18831. The Franchise Tax Board may, within six years after the determination of liability for any tax, penalties, and interest, bring an action in a court of competent jurisdiction in the name of the people of the State of California to recover the amount of any taxes, penalties, and interest due and unpaid under this part.

SEC. 11. The provisions of this act shall be applicable to the payment of taxes disclosed by returns required to be filed on or after April 15, 1964, without regard to any extension of time granted by the Franchise Tax Board.

CHAPTER 10

An act to add Section 17305.7 to, and Article 15 (commencing with Section 6441) to Chapter 6 of Division 6 of, and Article 14 5 (commencing with Section 18270) to Chapter 3 of Division 14 of, the Education Code, relating to instructional television.

[Approved by Governor August 9, 1963 Filed with
Secretary of State August 10, 1963.]

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

SECTION 1. Article 15 (commencing with Section 6441) is added to Chapter 6 of Division 6 of the Education Code, to read:

Article 15. Classroom Instructional Television

6441. The county superintendent of schools, on behalf of any school district under his jurisdiction, may contract for the purpose of procuring television broadcasts for use in the educational program of the schools in such district.

6442. All expenses incurred under such contract shall be paid by the school district for whose benefit the contract is made.

6442.1. A school district may provide for or contract for the procuring of television broadcasts for use in the educational program of the schools of the district.

6443. The Superintendent of Public Instruction shall adopt rules and regulations for the administration of this article. The Superintendent of Public Instruction shall establish a pilot program for instructional television in one county with a population in excess of 503,000, as determined by the 1960 federal decennial census, and he shall adopt rules and regulations for the apportionment of any money provided by the

State to districts in that county participating in the pilot program. He shall also prescribe and furnish such forms as may be necessary for the purposes of this article.

6444. Copies of all contracts between school districts or county superintendents and television stations for the transmission of institutional television programs shall be filed with the Department of Education. Such contracts shall specify the number of pupils to be instructed.

SEC. 2. Section 17305.7 is added to said code, to read:

17305.7. In addition there shall be provided such sum as the Superintendent of Public Instruction shall certify as necessary to reimburse school districts, participating in the pilot program for instructional television established pursuant to Section 6443, for instructional television pursuant to Section 18270. Such amount as is necessary to carry out the provisions of this section is appropriated from the General Fund and shall be transferred to the State School Fund by the State Controller each fiscal year, but not to exceed thirty thousand dollars (\$30,000) shall be transferred in any one fiscal year.

SEC. 3. Article 14.5 (commencing with Section 18270) is added to Chapter 3 of Division 14 of said code, to read:

Article 14.5. Computation of Allowance for
Instructional Television

18270. The Superintendent of Public Instruction shall allow to each school district participating in the pilot program for instructional television established pursuant to Section 6443 and which has provided for or which has contracted for instructional television pursuant to Article 15 (commencing with Section 6441 of Chapter 6 of Division 6), twenty-five cents (\$.25) multiplied by the number of pupils of the district present in the classroom and instructed by such instructional television programs during the preceding fiscal year.

SEC. 4. This act shall remain in effect until the 91st day after the final adjournment of the 1965 Regular Session of the Legislature, and shall have no force or effect after that date.

CHAPTER 11

An act to add Chapter 5 (commencing with Section 10301) to Division 8 of, and to amend Section 18106 of, the Education Code, relating to specialized teaching materials.

[Approved by Governor August 9, 1963. Filed with
Secretary of State August 10, 1963.]

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

SECTION 1. Chapter 5 (commencing with Section 10301) of Division 8 is added to the Education Code, to read:

CHAPTER 5. SPECIALIZED MATERIALS

Article 1. Visually Handicapped

10301. The Superintendent of Public Instruction shall establish and maintain a central clearinghouse-depository for specialized textbooks, reference books, recordings, study materials, tangible apparatus, equipment and other similar items for the use of visually handicapped minors enrolled in the public schools of California who may require their use as shall be determined by the State Board of Education.

10302. The Superintendent of Public Instruction shall provide facilities, furniture and equipment and employ personnel necessary to carry out the provisions of Section 10301

10303. Of the amount necessary to carry out the provisions of this article to meet the requirements of visually handicapped minors enrolled in the public schools, an amount not to exceed twenty-eight thousand dollars (\$28,000) annually, shall be allowed to the Superintendent of Public Instruction as provided in Section 18106.

SEC. 2. Section 18106 of said code is amended to read:

18106. The total amount which may be allowed to school districts and county superintendents of schools under Sections 18102 and 18103 for readers provided blind pupils to assist them with their studies, or for the purchase of Braille books, the cost of transcribing ink print materials into Braille, the purchase of making of sound recordings and the purchase of special supplies and equipment for blind pupils, and to the Superintendent of Public Instruction for the purposes of Sections 10301 and 10302, shall not exceed one hundred fifteen thousand dollars (\$115,000) in any fiscal year. If the total amount which may be allowed under this section during any fiscal year is less than the total allowances computed under Sections 18102 and 18103 for that purpose, the amounts allowed shall be reduced proportionately

The amount allowed under this section to the Superintendent of Public Instruction for operation of the central clearinghouse-depository as provided in Sections 10301 and 10302 shall not exceed twenty-eight thousand dollars (\$28,000) in the fiscal year 1963-1964, and in each year thereafter shall equal the actual expense incurred for such purposes by the Superintendent of Public Instruction during the preceding year or twenty-eight thousand dollars (\$28,000), whichever is less.

CHAPTER 12

An act to amend Sections 18102 and 18103 of the Education Code, relating to allocations for blind pupils.

[Approved by Governor August 9, 1963 Filed with
Secretary of State August 10, 1963.]

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

SECTION 1. Section 18102 of the Education Code is amended to read:

18102. The Superintendent of Public Instruction shall allow to each school district an amount equal to the excess current expense of education to such district of educating physically handicapped minor pupils but not in excess of nine hundred ten dollars (\$910) for each unit of average daily attendance of physically handicapped minor pupils in the district during the next preceding fiscal year, and an additional amount not in excess of nine hundred ten dollars (\$910), or the cost to the district, whichever is the lesser, for each unit of average daily attendance of blind pupils, when a reader has actually been provided to assist him with his studies, or for the purchase of Braille books, the cost of transcribing ink print materials into Braille, the purchase or making of sound recordings and the purchase of special supplies and equipment for blind pupils. Braille books purchased, Braille materials transcribed from ink print, sound recordings purchased or made, and special supplies and equipment purchased for blind pupils for which state or federal funds were allowed are property of the State and shall be available for use by blind pupils throughout the State as the State Board of Education shall provide.

SEC. 2. Section 18103 of said code is amended to read:

18103. The Superintendent of Public Instruction shall allow to the county school service fund of each county an amount equal to the excess current expense of education to the county superintendent of schools of educating physically handicapped minor pupils but not in excess of nine hundred ten dollars (\$910) for each unit of average daily attendance of physically handicapped minor pupils educated by the county superintendent of schools during the preceding fiscal year, and an additional amount not in excess of nine hundred ten dollars (\$910), or the cost to the county superintendent, whichever is the lesser, for each unit of average daily attendance of blind pupils, when a reader has actually been provided to assist him with his studies, or for the purchase of Braille books, the cost of transcribing ink print materials into Braille, the purchase or making of sound recordings and the purchase of special supplies and equipment for blind pupils. Braille books purchased, Braille materials transcribed from ink print, sound recordings purchased or made, and special supplies and

equipment purchased for blind pupils for which state or federal funds were allowed are property of the State and shall be available for use by blind pupils throughout the State as the State Board of Education shall provide.

The allowance made under this section shall in no case exceed the difference between the actual expense of maintaining the emergency schools during the preceding fiscal year and the amount allowed under Section 18355.

CHAPTER 13

An act to amend Section 17263.1 of, and to add Section 17263.2 to, the Education Code, and to amend Section 1819 of the Revenue and Taxation Code, relating to the financial support of the public school system, declaring the urgency thereof, to take effect immediately.

[Approved by Governor August 9, 1963 Filed with
Secretary of State August 10, 1963]

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

SECTION 1. Section 17263.1 of the Education Code is amended to read:

17263.1. Whenever the ratio published for the county pursuant to Section 1819 of the Revenue and Taxation Code is less than the statewide average assessment level, the governing board of the district shall determine and certify to the county superintendent of schools, using the ratio published pursuant to Section 1819 of the Revenue and Taxation Code, divided into the statewide average assessment level, to modify the assessed valuation of the district or county, the amount of funds required by the district to offset the decrease in state equalization aid and any decrease in supplementary support resulting from such modification of assessed value. The county superintendent of schools shall certify to the county auditor of the county in which the districts are included the amounts required to offset such decrease of equalization aid, or supplemental support, or both, in all the districts under his jurisdiction. The county auditor shall certify such amounts to the county board of supervisors who shall, at the time other taxes are levied, levy a tax upon all the assessed valuation of the county sufficient to provide the total of the amounts certified. Upon the collection of such taxes the county auditor shall pay to each school district the amount certified as required to offset the decrease in equalization aid or supplemental support.

SEC. 2. Section 17263.2 is added to said code, to read:

17263.2. Notwithstanding any provision of this chapter or any other provision of law to the contrary, the certifications required by Section 17263.1 may be made at any time prior to the time county and district taxes are required to be levied.

Notwithstanding the provisions of Sections 20951 and 21001 or any other provision of this code to the contrary, the governing board of a school district may budget and use the amounts paid to the school district collected from any such tax levied pursuant to Section 17263.1.

SEC. 3. Section 1819 of the Revenue and Taxation Code is amended to read:

1819. As soon as tabulations have been made pursuant to Section 1818, but not later than August 1st, the board shall give the assessor of each county a reasonable opportunity to examine and discuss with it that portion of the tabulations affecting property in his county. After making any adjustment it deems appropriate as the result of such discussion, but not later than August 23d, the board shall make available for public inspection all such tabulations and shall publish the ratio of assessed to full cash value of locally assessable tangible property for each county.

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

Chapter 2163 of the Statutes of 1963 made extensive technical changes in the provisions of law dealing with the fiscal year apportionment of moneys from the State School Fund for support of the public schools, which changes place on a current basis all formulas and procedures for computing allowances and making apportionments and disbursements. Legislation pending at this session would further revise this body of law to provide additional state and local support commencing with the current fiscal year. Because it is likely that any such legislation enacted at this session will not become effective until after the expiration of the time for submission of final school district budgets and the fixing of district and county tax rates, the special authority afforded by the provisions of this act, which will serve to implement the legislation which placed apportionment formulas on a current basis, is essential to overcome budgeting and taxing difficulties facing local authorities. For these reasons, it is necessary that this act take immediate effect.

CHAPTER 14

An act to amend Section 1817 of the Revenue and Taxation Code, to amend Sections 6426, 6903, 6904, 6913.1, 8951, 8955 1, 17261, 17263.1, 17301, 17301.3, 17303, 17303.5, 17305, 17352, 17353, 17402, 17405, 17411, 17456, 17601, 17602, 17607, 17611, 17653, 17654, 17655, 17655.5, 17656, 17660, 17664, 17665, 17666.2, 17667, 17702, 17703, 17704, 17705, 17751, 17801, 17851, 17901, 17902, 17904, 17906.2, 17907, 17908, 17909, 17951, 17970, 17990, 18055, 18056, 18057, 18251, 18253, 18302, 18303, 18355, 18358, 18401, 18451, 18452, 18455, 18460 and 20901 of, to repeal Sections 17401, 17404, 17406, 17407, 17410, 17416, 17612, 17613, 17666, 17903, 17903.2, 18356, 18357, and 18458 of, to repeal Article 9 (commencing with Section 18001) of Chapter 3 of Division 14 of, to repeal Section 17305.8 as added to the Education Code by Assembly Bill No. 653 of the 1963 Regular Session, to add Sections 17401, 17404, 17407, 17601.1, 17611 5, 17654 5, and 17665.5 to, and to add Article 7.1 (commencing with Section 17920) and Article 7.2 (commencing with Section 17940) to Chapter 3 of Division 14 of, and to repeal Section 6427 of, the Education Code, relating to the public school system, and making an appropriation.

[Approved by Governor August 10, 1963 Filed with
Secretary of State August 10, 1963.]

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

SECTION 1. Section 6426 of the Education Code is amended to read:

6426. The Superintendent of Public Instruction, if he approves, shall apportion to each applicant school district an amount equal to the total excess expense incurred by the school district in providing a program, except that the amount apportioned shall not exceed forty dollars (\$40) for each pupil participating in the program for one school year.

Apportionments made during a fiscal year pursuant to this section shall not be made on account of more than 2 percent of the units of average daily attendance of pupils during the preceding fiscal year credited to all kindergarten, and grades 1 through 12 in all of the schools and classes maintained by school districts and county superintendents of schools.

SEC. 1 5. Section 6427 of said code is repealed

SEC 2 Section 6903 of said code is amended to read:

6903. The education of mentally retarded minors who do not come within the provisions of Section 6902, who are 8 or more, and less than 18 years of age, and who may be expected to benefit from special educational facilities designed to educate and train them to further their individual acceptance, social adjustment, and economic usefulness in their homes and within a sheltered environment, may be provided

for in the manner set forth in Sections 6901 to 6913, inclusive, and in Sections 8951 to 8956, inclusive. The education of such mentally retarded minors who are five or more and less than eight years of age may be provided for in the manner set forth in Sections 6901 to 6913, inclusive, and in Sections 8951 to 8956, inclusive.

Any such minor who becomes 18 years of age while in attendance upon a special training school or class shall be permitted to continue to attend thereon for the remainder of the time such school or class is maintained during the then current school year.

SEC. 3. Section 6904 of said code is amended to read:

6904. The governing board of any elementary or unified school district which has an average daily attendance of 900 or more in the elementary schools of the district, or any high school district which has an average daily attendance of 900 or more shall provide for the education in special training schools or classes of mentally retarded minors residing in the district who come within the provisions of Section 6902 and who are not in attendance upon other special training schools or classes maintained under the provisions of Sections 6901 to 6913, inclusive.

The governing board of any elementary or unified school district which has an average daily attendance of 8,000 or more in the elementary schools of the district, and any unified or high school district which has an average daily attendance of 8,000 or more in the high schools of the district shall provide for the education in special training schools or classes of mentally retarded minors residing in the district who come within the provisions of Section 6903 and who are not in attendance upon other special training schools or classes maintained under the provisions of Sections 6901 to 6913, inclusive.

With the approval of the county superintendent of schools, the governing board of any elementary or unified school district which has an average daily attendance of less than 8,000 in the elementary schools of the district, and any unified or high school district which has an average daily attendance of less than 8,000 in the high schools of the district may provide for the education in special training schools or classes of mentally retarded minors residing in the district who come within the provisions of Section 6903 as may be admitted to such schools or classes.

The governing board of any elementary, unified or high school district, required to provide for the education in special training schools or classes of mentally retarded minors residing in the district who come within the provisions of Section 6903, may with the approval of the Superintendent of Public Instruction, enter into an agreement with a county superintendent of schools for the latter to provide for the education of such mentally retarded minors.

The governing boards of elementary, unified, and high school districts may enter into agreements for the education in special training schools or classes of mentally retarded minors residing in the districts parties to such agreements providing such agreements are reported through the county superintendent of schools to the Superintendent of Public Instruction.

SEC. 4. Section 6913 1 of said code is amended to read:

6913 1. The maximum rate of school district tax for any school year is hereby increased by such amount as the governing board of any school district which maintains or has entered into an agreement with another district for educational services or facilities, including the rental of property or purchase of equipment, for mentally retarded minors who come within the provisions of Sections 6902 and 6903 may include in its budget and the board of supervisors shall levy a school district tax necessary to raise such amount. No amounts shall be included in its budget for the purchase or improvement of school sites or the construction of school buildings

If at the end of any school year there remains an unencumbered balance derived from the revenue of the increase in the tax rate hereby provided, such balance shall be used exclusively in the following fiscal year for the expenditures of the school district during that fiscal year required or authorized for the education of mentally retarded minors who come within the provisions of Sections 6902 and 6903

SEC. 5. Section 8951 of said code is amended to read:

8951. (a) The county superintendent of schools shall establish and maintain special training schools or classes for mentally retarded minors who reside in the county and in elementary or unified school districts which have an average daily attendance of less than 901 in the elementary schools of the district and who come within the provisions of Section 6902. Such schools and classes shall be established at centrally located places, and the county superintendent of schools shall provide transportation to the pupils attending them. The district shall pay to the county school service fund of the county in which the district is located all costs of the education of such minors which are in excess of the amounts apportioned from the State School Fund for the average daily attendance of such minors.

Any elementary or unified school district which has an average daily attendance of less than 901 in elementary schools of the district, with the approval of the county superintendent of schools, may establish and maintain special training schools or classes for mentally retarded minors who come within the provisions of Section 6902.

(b) The county superintendent of schools may, with the approval of the county board of education, establish and maintain special training schools or classes for mentally retarded minors who reside in the county and who come within the provisions of Section 6902 and contract with an elementary or

unified school district with an average daily attendance of 901 or more in the elementary schools of the district, or with a high school district with an average daily attendance of less than 901, subject to such terms and conditions as may be agreed upon. The contract shall be approved by the county board of education and shall require the district to pay to the county school service fund of the county in which the district is located all costs of the education of such minors which are in excess of the amounts apportioned from the State School Fund for the average daily attendance of such minors.

Whenever a special training school or class is established under the provisions of this subdivision, the computations prescribed by Sections 17658 and 17663, or Sections 17658.1 and 17663.1, whichever are in effect, shall not apply.

(c) The county superintendent of schools shall establish and maintain special training schools or classes for mentally retarded minors who reside in the county and in elementary or unified school districts which have an average daily attendance of less than 8,000 in the elementary schools of the district and in unified or high school districts which have an average daily attendance of less than 8,000 in the high schools of the district and who come within the provisions of Section 6903. Such schools and classes shall be established at centrally located places, and the county superintendent of schools shall provide transportation to the pupils attending them. In an instance where it would be impracticable because of the transportation distances existing to bring a sufficient number of mentally retarded minors, within the meaning of Section 6903, together in one place to form a special training class, the county superintendent of schools upon the annual approval of the Superintendent of Public Instruction may defer compliance with the provisions of this section for the year in question.

Any elementary or unified school district which has an average daily attendance of less than 8,000 in elementary schools of the district and any unified or high school district which has an average daily attendance of less than 8,000 in high schools of the district, with the approval of the county superintendent of schools, may establish and maintain special training schools or classes for mentally retarded minors who come within the provisions of Section 6903.

A county superintendent of schools, required to provide for the education in special training schools or classes of mentally retarded minors residing in the district who come within the provisions of Section 6903, may with the approval of the Superintendent of Public Instruction enter into agreement with an elementary, unified or high school district for the latter to provide for the education of such mentally retarded minors.

SEC. 6. Section 8955.1 of said code is amended to read:

8955.1. The county superintendent of schools shall, with the approval of the county board of education, certify to the

county auditor and the county board of supervisors, on or before July 15th of each year, the amount of money required to be raised by a county tax for the education of mentally retarded minors who come within the provisions of Section 6903 and for rental of property and the purchase of equipment by the county superintendent of schools for special training schools or classes for such minors. The amount shall be determined by subtracting from the total cost of the education of such minors, including transportation, to the county superintendent of schools the total amount to be apportioned by the Superintendent of Public Instruction to the county school service fund for the education of such mentally retarded minors and by adding to the result the amount required for rental of property and the purchase of equipment. The board of supervisors may include in such amount a sum for capital outlay.

The board of supervisors shall, at the time of levying other county taxes, levy a tax in each school district for whom the county superintendent of schools maintains special training schools or classes pursuant to Section 6904 or 8951 for the education of mentally retarded minors who come within the provisions of Section 6903 upon the taxable property in such district sufficient to produce an amount equal to all costs of the education of such minors which are in excess of the amounts apportioned from the State School Fund for the average daily attendance of such minors. The amount received from this tax shall be deposited in the county school service fund

SEC. 6.5. Section 17261 of said code is amended to read:

17261. On the basis of computations made by the State Board of Equalization, the secretary of that board shall certify on or before October 1st of each year to the Superintendent of Public Instruction the factor, carried to two decimal places, by which the total assessed value of all tangible property on the current local roll of each county must be modified to conform to the statewide average assessment level.

SEC. 6.8. Section 17263.1 of said code is amended to read:

17263.1. Whenever the ratio published for the county pursuant to Section 1819 of the Revenue and Taxation Code is less than the statewide average assessment level, the governing board of the district shall determine and certify to the county superintendent of schools, using the ratio published pursuant to Section 1819 of the Revenue and Taxation Code, divided into the statewide average assessment level, to modify the assessed valuation of the district or county, the amount of funds required by the district to offset the decrease in state equalization aid and any decrease in supplementary support resulting from such modification of assessed value. The county superintendent of schools shall certify to the county auditor of the county in which the districts are included the amounts required to offset such decrease of equalization aid, or supplementary support, or both, in all the districts under his juris-

diction. The county auditor shall certify such amounts to the county board of supervisors who shall, at the time other taxes are levied, levy a tax upon all the assessed valuation of the county sufficient to provide the total of the amounts certified. Upon the collection of such taxes the county auditor shall pay to each school district the amount certified as required to offset the decrease in equalization aid or supplemental support.

SEC. 7. Section 17301 of said code is amended to read:

17301. (a) The State Controller shall during each fiscal year transfer from the General Fund of the State to the State School Fund such sums, in addition to the sums accruing to the State School Fund from other sources, as shall provide in the State School Fund for apportionment during the fiscal year a total amount per pupil in average daily attendance during the preceding fiscal year credited to all kindergarten, elementary, high school and junior college schools in the State and to the county school tuition funds, as certified by the Superintendent of Public Instruction, one hundred eighty dollars (\$180).

(b) The Controller shall also transfer, as needed during each fiscal year, such additional amounts from the General Fund to the State School Fund as are certified from time to time by the Superintendent of Public Instruction to be necessary to meet actual computed apportionments from the State School Fund for the purposes set forth in Section 17303 5; provided that the total of such additional amounts transferred in a fiscal year shall not exceed, except pursuant to subdivision (c) of this section, twenty-eight dollars and forty-four cents (\$28.44) for the fiscal year 1963-1964, and twenty-eight dollars and fifty-eight cents (\$28.58) for the fiscal year 1964-1965 and fiscal years thereafter, per pupil in average daily attendance during the preceding fiscal year credited to all kindergarten, elementary, high school and junior college schools in the State and to the county school tuition funds, as certified by the Superintendent of Public Instruction, less the amount, if any, by which one dollar and sixty cents (\$1.60) multiplied by the number of units of average daily attendance credited during the preceding fiscal year to all kindergarten, elementary, high school and junior college schools in the State and to the county school tuition funds exceeds twenty-one dollars and fifty cents (\$21.50) multiplied by the total average daily attendance credited during the preceding school year to elementary school districts which during the preceding school year had less than 901 units of average daily attendance, to high school districts which during the preceding school year had less than 301 units of average daily attendance, and to unified districts which during the preceding school year had less than 1,501 units of average daily attendance.

(c) In addition to the amounts authorized to be transferred to the State School Fund from the General Fund under subdivisions (a) and (b) of this section, the Controller shall

transfer from the General Fund to the State School Fund during the fiscal year, upon certification of the Superintendent of Public Instruction, if necessary to meet actual computed apportionments for the fiscal year for the purposes set forth in Sections 17303 and 17303.5, an amount not to exceed the lesser of: (1) 1 percent of the total apportionment from the State School Fund in the preceding fiscal year for the purposes set forth in Sections 17303 or 17303.5, or (2) the net amount, if any, by which the total amounts authorized to be transferred from the General Fund to the State School Fund under subdivisions (a) and (b) of this section in prior fiscal years have exceeded the total amounts actually apportioned in prior fiscal years for the purposes set forth in Sections 17303 and 17303.5.

(d) He shall also transfer to the State School Fund any additional amounts appropriated thereto by the Legislature in augmentation of any of the amounts prescribed for any of the purposes set forth in Sections 17303 and 17303.5 and such additional amounts shall be allowed and apportioned by the Superintendent of Public Instruction and warrants therefor drawn by the controller in the manner provided in Articles 1 and 2 (Sections 17301 to 17354, inclusive) of this chapter and in Sections 11256, 11257, and 17251, and Sections 17401 to 17417, inclusive, and Sections 17601 to 18460, inclusive.

SEC. 8. Section 17301 3 of said code is amended to read:

17301.3. (a) The amount to be transferred to the State School Fund under Section 17301 shall in each fiscal year, be adjusted for errors of average daily attendance reported in prior fiscal years. Adjustment of such errors will be subject to the time limitations as provided in Section 17414. Such adjustments with regard to the amount to be transferred to the State School Fund shall be at the State's rate of contribution under Section 17301 in effect in the fiscal year to which the error applied, and shall be applied in accordance with the purposes set forth under Section 17303. The amount of any adjustment shall not, however, cause the amount to be transferred to the State School Fund during any fiscal year under Section 17301 to be less than one hundred eighty dollars (\$180) per pupil in average daily attendance during the preceding fiscal year credited to all kindergarten, elementary, high school and junior college schools in the State and to county school tuition funds.

(b) If in any fiscal year the amount transferred to the State School Fund under Sections 17305 and 17307 is reported to be in error, the Superintendent of Public Instruction shall notify the Controller of such error and he shall add to or withhold from the next apportionment moneys due the district by transfers from or returns to the General Fund of such erroneous amounts.

SEC. 9. Section 17303 of said code is amended to read:

17303. The amount transferred pursuant to subdivision (a) of Section 17301 shall be expended for basic aid, equalization

aid, allowances for adults, supplemental support and allowances to the county school tuition funds to be apportioned on account of average daily attendance.

SEC. 10. Section 17303.5 of said code is amended to read:

17303.5. The amount transferred pursuant to subdivision (b) of Section 17301 shall be expended in accordance with the following schedule:

(a) Twenty-one dollars and fifty cents (\$21.50) multiplied by the total average daily attendance credited during the preceding school year to elementary school districts which during the preceding school year had less than 901 units of average daily attendance, to high school districts which during the preceding school year had less than 301 units of average daily attendance, and to unified districts which during the preceding school year had less than 1,501 units of average daily attendance, but not to exceed an amount equal to one dollar and sixty cents (\$1.60) multiplied by the average daily attendance credited during the preceding fiscal year to all kindergarten, elementary, high school and junior college schools in the State and to county school tuition funds, for allowance to a county school service funds pursuant to subdivision (a) of Section 18352

(b) Four dollars (\$4) multiplied by the total average daily attendance credited to all kindergarten, elementary, high school, and junior college schools in the State and to county school tuition funds during the preceding school year for the purposes of Article 10 (commencing with Section 18051) of Chapter 3 of this division.

(c) During the fiscal year 1963-1964 nine dollars and forty-nine cents (\$9.49), and during the fiscal year 1964-1965 and fiscal years following nine dollars and sixty-three cents (\$9.63), multiplied by the total average daily attendance credited to all kindergarten, elementary, high school, and junior college schools in the State and to county school tuition funds during the preceding school year, for the purposes of Sections 18060 and 18062, and Articles 11, 12 and 13 (commencing with Sections 18102, 18152, and 18202, respectively) of Chapter 3 of this division.

(d) Three dollars and six cents (\$3.06) multiplied by the total average daily attendance credited to all kindergarten, elementary, high school, and junior college schools in the State and to county school tuition funds during the preceding school year for allowances to county school service funds pursuant to subdivision (b) of Section 18352.

(e) Eighty cents (\$0.80) multiplied by the average daily attendance during the preceding fiscal year credited to all kindergarten, elementary, high school, and junior college schools in the State and to county school tuition funds for allowances to school districts for the purposes of Section 6426.

(f) Nine dollars and forty-nine cents (\$9.49) multiplied by the average daily attendance during the preceding fiscal year

credited to all kindergarten, elementary, high school, and junior college schools in the State and to county school tuition funds during the preceding school year for basic aid, equalization aid, supplemental support, allowances for adults, and allowances to the county school tuition funds to be apportioned on account of average daily attendance.

SEC. 10.3. Section 17305 of said code is amended to read:

17305. (a) In addition, subject to the provisions of Section 17305.5, there shall be provided such sum as the Superintendent of Public Instruction shall certify as necessary to reimburse school districts for the actual cost of instructing pupils in the operation of motor vehicles. The amount shall not exceed forty-five dollars (\$45) per pupil instructed in automobile driver training, in accordance with the rules and regulations as set forth by the State Board of Education. Such amounts as are necessary to carry out the provisions of this section are appropriated from the General Fund and shall be transferred therefrom to the State School Fund by the State Controller each fiscal year.

(b) Subject to the provisions of Section 17305.5, there shall also be provided the sum the Superintendent of Public Instruction shall certify as necessary to reimburse school districts for the actual cost of replacing vehicles used exclusively in automobile driver training programs and simulators used in such programs, but the amount shall not exceed three-fourths of that part of the actual cost of instructing pupils in automobile driver training during the preceding fiscal year which was: (1) in excess of forty-five dollars (\$45) per pupil instructed, and (2) expended by the district in replacing such vehicles and simulators.

A simulator is any automobile driver training device approved by the Department of Education to be used in classrooms for purposes of driver training instruction under simulated driving conditions

SEC. 10.5. Section 17305 8 of said code, as added by Assembly Bill No. 653 of the 1963 Regular Session, is repealed.

SEC. 11. Section 17352 of said code is amended to read:

17352. (a) The Controller shall draw warrants on the State Treasury in favor of the county treasurer of each county in each month of each year in the amounts and manner as herein prescribed so as to provide in each warrant a portion of the total amount certified by the Superintendent of Public Instruction as apportioned under the provisions of Sections 17401 to 17417, inclusive, and Sections 17601 to 18460, inclusive, during the fiscal year from the State School Fund to the school districts under the jurisdiction of the county superintendent of schools of the county, to the county school service fund, and to the county school tuition fund of the county.

(1) Warrants for amounts allowed to the county school service funds under subsections (a) and (b) of Section 18352

shall be for amounts equal to 6 percent in July, 12 percent in August, 10 percent in September, and 8 percent in each remaining month of the fiscal year of the amounts certified by the Superintendent of Public Instruction as a part of the advance apportionment.

(2) Warrants for amounts apportioned to school districts and county school service funds for classes maintained by county superintendents of schools and to the county school tuition funds shall be for amounts equal to 6 percent in July, 12 percent in August, and 8 percent in September, October, November, December, and January, of the amounts certified by the Superintendent of Public Instruction as a part of the advance apportionment.

(3) Warrants in the months of February to May, inclusive, shall be for amounts equal to one-sixth of the difference between the amounts certified by the Superintendent of Public Instruction for school districts and county school service funds for classes maintained by county superintendents of schools and county school tuition funds as the first principal apportionment and the amounts required by subdivision (2) of this subdivision. An additional one-sixth of such difference shall be included in the warrants for the month of February.

(4) Warrants for the month of June shall be for amounts equal to the difference between the amounts certified by the Superintendent of Public Instruction for school districts and county school service funds for classes maintained by county superintendents of schools and county school tuition funds as the second principal apportionment and the amounts required by subdivisions (2) and (3) of this subdivision.

(5) Warrants in December shall include four-tenths of the amounts certified by the Superintendent of Public Instruction as the special purpose apportionment. An additional one-tenth of such amounts shall be included in the warrants for the months from January to June, inclusive.

(6) Warrants in June shall include the total amounts certified by the Superintendent of Public Instruction as the final apportionment.

(b) The drawing of the warrants required to be drawn during any one of the months mentioned may be postponed by the Controller for not to exceed 30 days, but the total amounts due the several counties during any fiscal year shall be paid within the fiscal year. The warrants shall be paid by the State Treasurer from the State School Fund and are not subject to the provisions of Government Code Section 16003.

Sec. 12. Section 17353 of said code is amended to read:

17353. (a) If the Superintendent of Public Instruction does not certify to the Controller, on or before the 20th day of February, the amounts apportioned by him as the first principal apportionment, the Controller shall draw warrants on the State Treasury in favor of the county treasurer of each county in the month of February, and in each month thereafter until

the month following his receipt of such certification, for amounts equal to the warrants drawn for January.

(b) In the month following the receipt of the certification of the amounts apportioned by the Superintendent of Public Instruction as the first principal apportionment, the Controller shall draw warrants on the State Treasury in favor of the county treasurer of each county in an amount equal to the difference between the amount of the warrants which would have been drawn pursuant to Section 17352 had the certification been received by the Controller not later than February 20th and the amount of the warrants drawn pursuant to subdivision (a) of this section.

(c) Warrants drawn under this section shall be drawn on the State School Fund and are not subject to the provisions of Government Code Section 16003.

SEC. 13. Section 17401 of said code is repealed.

SEC. 14. Section 17401 is added to said code, to read:

17401. The Superintendent of Public Instruction shall on or before July 15th of each year certify to the Controller the amounts estimated to be apportioned to each effective school district during the current fiscal year on the basis of the report of the districts for the second principal apportionment of the preceding fiscal year, the amounts estimated to be apportioned to each county school tuition fund and to each county school service fund for schools and classes to be maintained by the county superintendent of schools during the current fiscal year on the basis of reports provided by the county superintendent of schools, and the amounts estimated by the Superintendent of Public Instruction to be apportioned to the county school service fund during the current fiscal year under subdivisions (a) and (b) of Section 18352. This apportionment shall be called the advance apportionment.

SEC. 15. Section 17402 of said code is amended to read:

17402. The Superintendent of Public Instruction shall on or before February 20th of each year apportion to each elementary school district, high school district, junior college district, county school service fund, and county school tuition fund the total amounts allowed to them under Sections 17751, 17801, 17851, 17901, 17904, 18352(a), 18352(b), 18355, 18358, 18401, and Sections 18451 to 18456, inclusive, whichever are in effect. This apportionment shall be called the first principal apportionment.

SEC. 16. Section 17404 of said code is repealed.

SEC. 17. Section 17404 is added to said code, to read:

17404. For purposes of determining the eligibility of a school for the "necessary small school" foundation program, if by November 10th of any current fiscal year, an additional teacher or teachers are hired in elementary schools or high schools such teachers shall be deemed to have been hired as of the beginning of the school year, and the districts shall, if

otherwise eligible, be entitled to the appropriate small school foundation programs for purposes of computation of the principal apportionments.

SEC. 18. Section 17405 of said code is amended to read:

17405. The Superintendent of Public Instruction shall on or before December 10th of each year apportion to each elementary, high school, and junior college district, and county school service fund the total of amounts allowed to them under Sections 6425 to 6427, inclusive, Sections 18051 to 18206, inclusive, Sections 18251 to 18254, inclusive, and Sections 18301 to 18307, inclusive. This apportionment shall be called the special purpose apportionment.

SEC. 19. Section 17406 of said code is repealed.

SEC. 20. Section 17407 of said code is repealed.

SEC. 21. Section 17407 is added to said code, to read:

17407. The Superintendent of Public Instruction shall on or before June 25th of each year apportion to each elementary school district, high school district, junior college district, county school service fund, and county school tuition fund the total amounts allowed to them under Sections 17751, 17801, 17851, 17901, 17902, 17904, 17926, 17951, 17952, 18352(a), 18352(b), 18355, 18358, 18401, and Sections 18451 to 18456, inclusive, whichever are in effect. This apportionment shall be called the second principal apportionment.

SEC. 22. Section 17410 of said code is repealed.

SEC. 23. Section 17411 of said code is amended to read:

17411. The Superintendent of Public Instruction shall withhold from the apportionment to an elementary school district, as a part of the first principal apportionment and second principal apportionment, the amount allowed the elementary school district for the average daily attendance in grades 7 and 8 in a junior high school by reason of the operation of subdivisions (a) and (b) of Section 17601. The amount withheld shall be determined by multiplying the total amount of basic state aid, state equalization aid and supplemental support computed for the district by the foundation program for units of average daily attendance in grades 7 and 8 and dividing the product by the total foundation program of the district.

The Superintendent of Public Instruction shall add the amount withheld to the apportionment required to be made to the high school district maintaining the junior high school.

SEC. 24. Section 17416 of said code is repealed.

SEC. 25. Section 17456 of said code is amended to read:

17456. During each of the two successive fiscal years commencing with the first fiscal year of the existence of a newly formed junior college district for all purposes the State Controller shall deduct from apportionments made to each such district from the State School Fund one-half of the amount apportioned to such district under this article (commencing at Section 17451) and shall pay the same into the State General Fund.

SEC. 26. Section 17601 of said code is amended to read:

17601. For the purposes of computing allowances and apportionments from the State School Fund for the advance apportionment, first principal apportionment, and second principal apportionment on the basis of average daily attendance:

(a) Each elementary school district shall be deemed to comprise the kindergartens and grades 1 to 8, inclusive, maintained by the district, and the seventh and eighth grades of the district not maintained by the district because of the attendance upon a junior high school of pupils who would otherwise attend upon seventh and eighth grades maintained by the district.

(b) Each high school district shall be deemed to comprise all of grades 9 to 12, inclusive, maintained within the high school district whether maintained by a high school district or by a junior college district.

(c) Each junior college district shall be deemed to comprise the 13th and 14th grades maintained by the district.

(d) Each high school district maintaining grades 13 and 14 shall be deemed to be a junior college district comprising grades 13 and 14.

(e) Each unified school district shall be deemed to be an elementary school district comprising the kindergartens and grades 1 to 8, inclusive, maintained by the district and the seventh and eighth grades of the district not maintained by the district in elementary schools because of the attendance upon a junior high school of pupils who would otherwise attend the seventh and eighth grades maintained in elementary schools by the district, and a high school district comprising all of grades 9 to 12, inclusive, and a junior college district comprising the 13th and 14th grades maintained by the district.

SEC. 27. Section 17601.1 is added to said code, to read:

17601.1. For the purposes of this chapter, the governing board of each school district shall report to the Superintendent of Public Instruction during each fiscal year the average daily attendance of the district for all full school months during (1) the period between July 1st and December 31st, inclusive, to be known as the "first period" report for the first principal apportionment, and (2) the period between July 1st and April 15th, inclusive, to be known as the "second period" report for the second principal apportionment. The county superintendent of schools shall report the average daily attendance for the schools and classes maintained by him and the average daily attendance for the county school tuition fund.

Each report shall be prepared in accordance with instructions on forms prescribed and furnished by the Superintendent of Public Instruction and average daily attendance shall be computed in the following manner:

(a) The average daily attendance in the regular day elementary, junior high, and high schools maintained by the school districts shall be determined by dividing the total number of days of attendance in all full school months in each period by the number of days such schools are actually taught in all full school months in each period.

(b) The average daily attendance in grades 13 and 14 of the regular day schools of each junior college shall be determined by dividing the hours of attendance during the period by the number equal to three times the number of days actually taught within the period during the "academic year" as defined in Section 5554. For the purposes of this article, the average daily attendance in each period shall not exceed 1.2 times the number of different pupils enrolled in the district during the period.

(c) The average daily attendance in summer school and outdoor science and conservation education classes maintained during the period between the last day the regular day schools are in session during the preceding year and the first day the regular day schools are in session during the current year shall be reported on both the first period and second period reports. Such average daily attendance shall be computed by dividing the days of attendance by 175. For junior colleges, the hours of attendance shall be divided by 525, and the average daily attendance shall not exceed 1.2 times the total number of different pupils enrolled in the district in the summer school.

(d) The attendance for schools and classes maintained by the county superintendent of schools and for the county school tuition fund credited after the last full school month of the second period of the preceding year and prior to the end of each reporting period shall be reported on each report. The average daily attendance of the school, class, or fund shall be determined for the first period by dividing the days of attendance by 75 and for the second period, the days of attendance shall be divided by 175.

(e) The days of attendance in classes for adults and continuation schools and classes maintained after the last full school month of the second period of the preceding year and prior to the end of each reporting period shall be reported on each report. The average daily attendance in such schools and classes shall be determined for the first period by dividing the days of attendance by 75; for the second period, the days of attendance shall be divided by 175.

SEC. 27.5. Section 17602 of said code is amended to read:

17602. Whenever in this chapter any computation, including but not limited to the computation of supplemental support under Article 7.1, is required to be made which is based in whole or in part on the assessed valuation of a school district as shown by the equalized assessment roll of the district for the fiscal year, there shall be substituted for such assessed valuation, as to such computation, a sum determined by adding to

such assessed valuation an amount which would, if the current tax rate, as defined in Section 1760⁴, of such district were levied on such added amount, produce or will produce 40 percent of the equivalent of all federal funds as federal funds are defined in Section 17605 and 75 percent of the equivalent of all miscellaneous funds as miscellaneous funds are defined in Section 17606, received or to be received by such district for the fiscal year for which such added amount was determined.

Should the amount of federal funds as defined in Section 17605 actually received by a school district for any fiscal year be more or less than that reported for such district by the United States Commissioner of Education to the Superintendent of Public Instruction, the Superintendent of Public Instruction shall during the fiscal year next succeeding that in which the district has received all of the federal funds actually paid the district for the first mentioned fiscal year withhold from or add to the apportionment made to the district from the State School Fund the amount of the excess or deficiency, as the case may be, in the apportionment of state equalization aid and supplemental support from the State School Fund for the preceding year, if the amount of the excess or deficiency in such apportionment was one hundred dollars (\$100) or more.

SEC. 28. Section 17607 of said code is amended to read:

17607. If any computation made under, or necessitated by, Sections 11251 to 11257, inclusive, Sections 17401 to 17454, inclusive, and Sections 17601 to 18461, inclusive, results in an amount which is:

(a) Less than one dollar (\$1), the amount shall be counted as one dollar (\$1)

(b) More than one dollar (\$1) and includes a fraction of one-half dollar (\$0.50) or more, the fraction shall be counted as one dollar (\$1).

(c) More than one dollar (\$1) and includes a fraction of less than one-half dollar (\$0.50), the fraction shall not be counted.

SEC. 29. Section 17611 of said code is amended to read:

17611. For the purposes of computation of allowances and apportionments from the State School Fund, whenever computations of apportionments based on average daily attendance are made for junior college districts only the attendance in all classes of grades 13 and 14 and all types of ungraded classes, including classes for adults, which have been reported as attached to, or as a part of, a junior college which maintains grades 13 and 14 shall be included.

SEC. 29.5. Section 17611.5 is added to said code, to read:

17611.5. Notwithstanding any provision of this division to the contrary, the amount allowed from the State School Fund to a school district for the fiscal year 1963-1964 as basic state aid and state equalization aid on account of resident pupils in grades 13 and 14 of a junior college, shall not, solely as a result of a reorganization involving the maintenance of said grades

13 and 14, be less than the total of basic state aid and state equalization aid allowed to the district for the 1962-1963 fiscal year on account of the average daily attendance of resident pupils in said grades 13 and 14.

SEC. 30. Section 17612 of said code is repealed.

SEC. 31. Section 17613 of said code is repealed.

SEC. 31.1. Section 17653 of said code is amended to read:

17653. With respect to any unified district formed under Sections 3001 to 3451, inclusive, of this code, which became effective for all purposes on or after July 1, 1953, and which during the year preceding the effective date for all purposes had, in all the districts which were formed into the unified district, an average daily attendance of less than ten thousand (10,000), the foundation program actually computed for such district under this article and the supplemental support program for such district under Article 7.1 of this chapter shall be increased by 5 percent for the first fiscal year, 4 percent for the second fiscal year, 3 percent for the third fiscal year, 2 percent for the fourth fiscal year, and 1 percent for the fifth fiscal year of its existence.

SEC. 31.2. Section 17654 of said code is amended to read:

17654. With respect to any unified district formed under Sections 3001 to 3451, inclusive, of this code, which became effective for all purposes on or after July 1, 1953, and which during the year preceding the effective date for all purposes had, in all the districts which were formed into the unified district, an average daily attendance of more than ten thousand (10,000) and in which there was not on July 1, 1952, or thereafter a single chief administrative officer and staff that administered the program of education for all the secondary schools and those elementary schools of the district to which were credited 50 percent or more of the average daily attendance during the year preceding the effective date for all purposes in all the districts formed into the unified district, the foundation program actually computed for such district under this article (commencing at Section 17651) and the supplemental support program for such district under Article 7.1 of this chapter shall be increased by 5 percent for the first fiscal year, 4 percent for the second fiscal year, 3 percent for the third fiscal year, 2 percent for the fourth fiscal year, and 1 percent for the fifth fiscal year of its existence.

SEC. 31.5. Section 17654.5 is added to said code, to read:

17654.5. For each elementary school district which maintains only one school with an average daily attendance of less than 101, he shall make one of the following computations, whichever provides the lesser amount:

(1) For each small school which has an average daily attendance during the fiscal year of less than 26, exclusive of pupils attending the seventh and eighth grades of a junior high school, and for which school at least one teacher was hired full time, he shall compute for the district five thousand seven hundred twenty-five dollars (\$5,725).

(2) For each small school which has an average daily attendance during the fiscal year of 26 or more and less than 51, exclusive of pupils attending the seventh and eighth grades of a junior high school, and for which school at least two teachers were hired full time for more than one-half of the days schools were maintained, he shall compute for the district eleven thousand four hundred fifty dollars (\$11,450).

(3) For each small school which has an average daily attendance during the fiscal year of 51 or more but less than 76, exclusive of pupils attending the seventh and eighth grades of a junior high school, and for which school three teachers were hired full time for more than one-half of the days schools were maintained, he shall compute for the district seventeen thousand one hundred seventy-five dollars (\$17,175).

(4) For each small school which has an average daily attendance during the fiscal year of 76 or more and less than 101, exclusive of pupils attending the seventh and eighth grades of a junior high school, and for which school four teachers were hired full time for more than one-half of the days schools were maintained, he shall compute for the district twenty-two thousand nine hundred dollars (\$22,900).

Sec. 32. Section 17655 of said code is amended to read:

17655. For the purposes of Section 17655 5 a "necessary small school" is an elementary school with an average daily attendance of less than 101, exclusive of pupils attending the seventh and eighth grades of a junior high school, during the current fiscal year maintained by an elementary school district which maintains two or more schools and to which school any of the following conditions apply:

(a) If as many as five pupils residing in the district and attending grades kindergarten to eight, inclusive, exclusive of pupils attending the seventh and eighth grades of a junior high school in the elementary school with an average daily attendance of less than 101 would be required to travel more than 10 miles one way from a point on a well-traveled road nearest their home to the nearest other public elementary school.

(b) If as many as 15 pupils residing in the district and attending grades kindergarten to eight, inclusive, exclusive of pupils attending the seventh and eighth grades of a junior high school in the elementary school with an average daily attendance of less than 101 would be required to travel more than five miles one way from a point on a well-traveled road nearest their home to the nearest other public elementary school.

(c) If the Superintendent of Public Instruction grants a request made pursuant to this subdivision. If topographical or other conditions exist in a district which would impose unusual hardships if the number of miles specified in (a) or (b) were required to be traveled or if during the fiscal year the

roads which would be traveled have been impassable for more than an average of two weeks per year for the preceding five years, the governing board of the district may, on or before April 1st, request the Superintendent of Public Instruction, in writing, for an exemption from such requirements or for a reduction in the miles required. The request shall be accompanied by a statement of the conditions upon which such request is based, giving such information in such form as the Superintendent of Public Instruction may require. The Superintendent of Public Instruction shall cause an investigation to be made, and he shall either grant such request to the extent deemed necessary by him or deny the request.

SEC. 33. Section 17655.5 of said code is amended to read:

17655.5. (a) For each district on account of each necessary small school (giving regard to the number of teachers actually employed or average daily attendance), he shall make one of the following computations, whichever provides the lesser amount:

(1) For each necessary small school which has an average daily attendance during the fiscal year of less than 26, exclusive of pupils attending the seventh and eighth grades of a junior high school, and for which school at least one teacher was hired full time, he shall compute for the district five thousand seven hundred twenty-five dollars (\$5,725).

(2) For each necessary small school which has an average daily attendance during the fiscal year of 26 or more and less than 51, exclusive of pupils attending the seventh and eighth grades of a junior high school, and for which school at least two teachers were hired full time for more than one-half of the days schools were maintained, he shall compute for the district eleven thousand four hundred fifty dollars (\$11,450).

(3) For each necessary small school which has an average daily attendance during the fiscal year of 51 or more but less than 76, exclusive of pupils attending the seventh and eighth grades of a junior high school, and for which school three teachers were hired full time for more than one-half of the days schools were maintained, he shall compute for the district seventeen thousand one hundred seventy-five dollars (\$17,175).

(4) For each necessary small school which has an average daily attendance during the fiscal year of 76 or more and less than 101, exclusive of pupils attending the seventh and eighth grades of a junior high school, and for which school four teachers were hired full time for more than one-half of the days schools were maintained, he shall compute for the district twenty-two thousand nine hundred dollars (\$22,900).

(b) For each district on account of each small school not determined to be a necessary small school under Section 17655 he shall make one of the following computations, whichever applies:

(1) If the total of the units of average daily attendance of the district during the fiscal year, exclusive of pupils attend-

ing the seventh and eighth grades of a junior high school, is less than 901, he shall multiply the units of average daily attendance in the school by two hundred twenty-nine dollars (\$229).

(2) If the total of the units of average daily attendance in the district during the fiscal year, exclusive of pupils attending the seventh and eighth grades of a junior high school, is 901 or more, he shall multiply the units of average daily attendance by two hundred thirty-nine dollars (\$239).

SEC. 34. Section 17656 of said code is amended to read:

17656. For each elementary school district which, exclusive of pupils attending the seventh and eighth grades of a junior high school, has an average daily attendance of 101 or more but less than 901 during the fiscal year, he shall compute an amount determined by multiplying the total average daily attendance, exclusive of pupils attending the seventh and eighth grades of a junior high school and pupils for whom a foundation program is computed under Section 17655 5, by two hundred twenty-nine dollars (\$229).

For each elementary school district which, exclusive of pupils attending the seventh and eighth grades of a junior high school, has an average daily attendance of 901 or more during the preceding fiscal year, he shall compute an amount determined by multiplying the total average daily attendance, exclusive of pupils attending the seventh and eighth grades of a junior high school, and pupils for whom a foundation program is computed under Section 17655.5 by two hundred thirty-nine dollars (\$239).

SEC. 35 Section 17660 of said code is amended to read:

17660. For each elementary school district with an average daily attendance, exclusive of pupils attending the seventh and eighth grades of a junior high school, of less than 901 during the fiscal year, on account of the attendance during the fiscal year of pupils in the seventh and eighth grades of a junior high school which attendance is credited to the elementary school district pursuant to Sections 11404 and 5612, he shall multiply the average daily attendance in such grades by two hundred twenty-nine dollars (\$229).

For each elementary school district with an average daily attendance, exclusive of pupils attending the seventh and eighth grades of a junior high school, of 901 or more during the fiscal year, on account of the attendance during the fiscal year of pupils in the seventh and eighth grades of a junior high school which attendance is credited to the elementary school district pursuant to Sections 11404 and 5612, he shall multiply the average daily attendance in such grades by two hundred thirty-nine dollars (\$239).

SEC. 36. Section 17664 of said code is amended to read:

17664. (a) For each district on account of each necessary small high school the Superintendent of Public Instruction shall make one of the following computations selected with re-

gard only to the number of certificated employees employed or average daily attendance, whichever provides the lesser amount.

(1) For one which has an average daily attendance during the fiscal year of less than 21 and for which at least three certificated employees were employed full time, he shall compute thirty-three thousand one hundred dollars (\$33,100).

(2) For one which has an average daily attendance during the fiscal year of 21 or more and less than 41 and for which at least four certificated employees were employed full time, he shall compute thirty-eight thousand three hundred seventeen dollars (\$38,317).

(3) For one which has an average daily attendance during the fiscal year of 41 or more and less than 61 and for which at least five certificated employees were employed full time, he shall compute forty-three thousand five hundred thirty-four dollars (\$43,534).

(4) For one which has an average daily attendance during the fiscal year of 61 or more and less than 76 and for which at least six certificated employees were employed full time, he shall compute forty-eight thousand seven hundred fifty dollars (\$48,750).

(5) For one which has an average daily attendance during the fiscal year of 76 or more and less than 91 and for which at least seven certificated employees were employed full time, he shall compute fifty-three thousand nine hundred sixty-seven dollars (\$53,967).

(6) For each one which has an average daily attendance during the fiscal year of 91 or more and less than 106 and for which at least eight certificated employees were employed full time, he shall compute fifty-nine thousand one hundred eighty-four dollars (\$59,184).

(7) For each one which has an average daily attendance during the fiscal year of 106 or more and less than 121 and for which at least nine certificated employees were employed full time, he shall compute sixty-four thousand four hundred dollars (\$64,400).

(8) For each one which has an average daily attendance during the fiscal year of 121 or more and less than 136 and for which at least 10 certificated employees were employed full time, he shall compute sixty-nine thousand six hundred seventeen dollars (\$69,617).

(9) For each one which has an average daily attendance during the fiscal year of 136 or more and less than 151 and for which at least 11 certificated employees were employed full time, he shall compute seventy-four thousand eight hundred thirty-four dollars (\$74,834).

(10) For each one which has an average daily attendance during the fiscal year of 151 or more and less than 181 and for which at least 12 certificated employees were employed full time, he shall compute eighty thousand fifty dollars (\$80,050).

(11) For each one which has an average daily attendance during the fiscal year of 181 or more and less than 221 and for which at least 13 certificated employees were employed full time, he shall compute eighty-five thousand two hundred sixty-seven dollars (\$85,267).

(12) For each one which has an average daily attendance during the fiscal year of 221 or more and less than 261 and for which at least 14 certificated employees were employed full time, he shall compute ninety thousand four hundred eighty-four dollars (\$90,484).

(13) For each one which has an average daily attendance during the fiscal year of 261 or more and less than 301 and for which at least 15 certificated employees were employed full time, he shall compute ninety-five thousand seven hundred dollars (\$95,700).

(14) For each one which has an average daily attendance of less than 21 and for which fewer than three certificated employees were employed, he shall compute five thousand two hundred seventeen dollars (\$5,217) for each of the teachers employed in the school.

(b) For each district on account of each small high school not determined to be a necessary small high school under Sections 17663, 17663.5, and 17663 7, he shall make one of the following computations, whichever applies:

(1) If the total of the units of average daily attendance in the district during the fiscal year is less than 301, he shall multiply the units of average daily attendance during the fiscal year in the school by three hundred nineteen dollars (\$319).

(2) If the total of the units of average daily attendance in the district during the fiscal year is more than 300, he shall multiply the units of average daily attendance during the fiscal year in the school by three hundred twenty-nine dollars (\$329).

For the purposes of this section a "certificated employee" is an equivalent full-time position of an individual holding a credential authorizing service, and performing service in grades 9 through 12 in any secondary school. Any fraction of an equivalent full-time position shall be deemed to be a full-time position.

The foundation program established by this section for high schools with an average daily attendance of less than 301 shall not apply to any high school established after July 1, 1961 unless the establishment of such schools has been approved by the Superintendent of Public Instruction

Sec. 37. Section 17665 of said code is amended to read:

17665. For each high school district which has an average daily attendance of 301 or more during the fiscal year, he shall multiply the average daily attendance by three hundred twenty-nine dollars (\$329).

SEC. 38. Section 17665.5 is added to said code, to read:

17665.5. For each high school district which has an attendance credited pursuant to Section 10815, he shall multiply the average daily attendance by three hundred twenty-nine dollars (\$329).

SEC. 39. Section 17666 of said code is repealed.

SEC. 40. Section 17666 2 of said code is amended to read:

17666.2. For the purpose of computing apportionments in the fiscal year 1961-1962 and for each fiscal year thereafter, for each junior college district, he shall multiply the number of units of average daily attendance, during the fiscal year, in grades 13 and 14 computed for the district under Sections 11451 and 11501, subject to the provisions of Section 17611, by five hundred seventy dollars (\$570).

For purposes of this section, and Sections 17851 and 17905 2, the average daily attendance of a junior college district shall, subject to the provisions of Section 17611, be computed in the manner prescribed by Sections 11451 and 11501 except that there shall be excluded from the computation the attendance of all students who resided in territory which was not a part of any district maintaining a junior college and the attendance of all students who resided in another district which maintained a junior college who were in attendance under an interdistrict attendance agreement which required the payment of tuition by the district of residence, and there shall be included in the computation the attendance of all students residing in the district who were in attendance at a junior college in another district under an interdistrict attendance agreement which required the payment of tuition by the district of residence.

The Superintendent of Public Instruction shall exclude from the computation provided by this section the average daily attendance during the fiscal year of adults, as adults are defined in Section 6352, and of inmates of any state institution for adults or of any city, county, or city and county jail, road camp or farm for adults.

SEC. 41. Section 17667 of said code is amended to read:

17667. Each computation required by this article (commencing at Section 17651) for high school and junior college districts shall be made after excluding from the average daily attendance for the fiscal year the average daily attendance of adults, as adults are defined in Section 6352, and the average daily attendance in classes for inmates of any state institution for adults or of any city, county, or city and county jail, road camp or farm for adults during the fiscal year.

SEC. 42. Section 17702 of said code is amended to read:

17702. The Superintendent of Public Instruction shall compute for the fiscal years 1960-1961 and each fiscal year thereafter for each district described herein the amount, to be known as district aid, which a tax levied on each one hundred dollars (\$100) of 100 percent of the assessed valuation in such

district as shown by the equalized assessment roll of the district for the current year would produce if levied, if such tax was:

- (a) Sixty cents (\$0 60) in an elementary school district.
- (b) Fifty cents (\$0 50) in a high school district.
- (c) Twenty-five cents (\$0 25) in a junior college district.

SEC. 43. Section 17703 of said code is amended to read:

17703. (a) Upon request of the district, the Superintendent of Public Instruction shall use in computing district aid the difference between the total assessed valuation of property in a district as shown on the equalized assessment roll for the fiscal year and the assessed valuation of property as shown on the equalized assessment roll for the fiscal year, with respect to which revenues of the district taxes levied in the 1954-1955 fiscal year, or thereafter, are impounded by the county auditor pursuant to Section 20901.

(b) Whenever, after July 1, 1955, the county auditor notifies the Superintendent of Public Instruction and the Controller of the release of impounded tax revenues to the school district, the Superintendent of Public Instruction shall compute and certify to the Controller the amount to be deducted, and the Controller shall deduct, from the apportionment or apportionments from the State School Fund to the district, in the first fiscal year or the second fiscal year succeeding such notification of release, that amount apportioned to the district in any prior year or years by reason of the exclusion of assessed valuation with respect to tax revenues impounded and thereafter released.

The provisions of this section shall not apply to impounded tax receipts derived from assessment of water, where the procedures of Section 17704 have been utilized.

SEC. 44. Section 17704 of said code is amended to read:

17704. When the total tax revenues realized in respect to any school district from the levy of district taxes for any fiscal year are less than would have been realized from the total assessed value of property in the district because of allocations of tax receipts to a redevelopment agency pursuant to Article 4 (commencing at Section 33950) of Chapter 5 of Division 24 of the Health and Safety Code, the governing board of a school district may request the Superintendent of Public Instruction to compute district aid for the district under this section. Upon receipt of such a request, the Superintendent of Public Instruction shall, in computing district aid, reduce the amount of the total assessed valuation in the district as shown by the equalized assessment roll for the year by the amount of such assessed valuation upon which such tax receipts for such fiscal year are to be allocated to the redevelopment agency.

SEC. 45. Section 17705 of said code is amended to read:

17705. (a) Upon request of a district, the Superintendent of Public Instruction shall use in computing district aid the total assessed valuation of property in a district as shown on

the equalized assessment roll for the fiscal year, reduced by the portion thereof representing the total assessed valuation of water with respect to which revenues of the district taxes levied in the 1958-1959 fiscal year or thereafter are impounded by the county auditor pursuant to Section 26906.1 of the Government Code.

(b) Whenever, after July 1, 1959, the county auditor notifies the Superintendent of Public Instruction and the Controller of the release of such impounded tax revenues to the school district, the Superintendent of Public Instruction shall compute and certify to the Controller the amount to be deducted, and the Controller shall deduct, from the apportionment or apportionments from the State School Fund to the district, in the first fiscal year or the second fiscal year succeeding such notification of release, that amount apportioned to the district in any prior year or years by reason of the exclusion under this section, of assessed valuation with respect to tax revenues impounded and thereafter released.

SEC. 46. Section 17751 of said code is amended to read:

17751. The Superintendent of Public Instruction shall allow one hundred twenty-five dollars (\$125) to each elementary school district for each unit of average daily attendance therein during the fiscal year as computed for the district under Sections 11301 and 11404, but not less than two thousand four hundred dollars (\$2,400) shall be allowed to any elementary school district, to be known as basic state aid.

SEC. 47. Section 17801 of said code is amended to read:

17801. The Superintendent of Public Instruction shall allow to each high school district one hundred twenty-five dollars (\$125) for each unit of average daily attendance in the district during the fiscal year as computed under Sections 11403, 11452, and 11501, subject to the provisions of Section 17610, but not less than two thousand four hundred dollars (\$2,400) shall be allowed to any high school district, to be known as basic state aid.

The Superintendent of Public Instruction shall exclude from the computation of allowances provided by this section the average daily attendance during the fiscal year of adults, as adults are defined in Section 6352, and of inmates of any state institution for adults or of any city, county, or city and county jail, road camp or farm for adults.

SEC. 48. Section 17851 of said code is amended to read:

17851. The Superintendent of Public Instruction shall allow to each junior college district one hundred twenty-five dollars (\$125) for each unit of average daily attendance in grades 13 and 14.

Beginning with the fiscal year 1960-1961, average daily attendance for the purpose of this section shall be computed under Sections 11451 and 11501, subject to the provisions of Sections 17611 and 17666.2.

The Superintendent of Public Instruction shall exclude from the computation of allowances provided by this section the average daily attendance of adults, as adults are defined in Section 6352, and of inmates of any state institution for adults or of any city, county, or city and county jail, road camp or farm for adults.

SEC. 49. Section 17901 of said code is amended to read:

17901. The Superintendent of Public Instruction shall compare the total of the amounts allowed to, and computed for, each elementary district pursuant to Sections 17751 and 17702, with the amount of the foundation program of school support computed for each such district pursuant to Sections 17651 to 17667, inclusive.

If the total amount allowed to, and computed for, any elementary school district pursuant to Sections 17751 and 17702 is less than the amount of the foundation program of school support computed for such district pursuant to Sections 17651 to 17667, inclusive, he shall add to the amount computed for such district pursuant to Sections 17751 and 17702 such additional amount, to be known as state equalization aid, as may be necessary to equal that computed for such district pursuant to Sections 17651 to 17667, inclusive.

SEC. 50. Section 17902 of said code is amended to read:

17902 The Superintendent of Public Instruction shall compare the total of the amounts allowed to, and computed for, each high school district pursuant to Sections 17702 and 17801, with the amount of the foundation program of school support computed for each such district pursuant to Sections 17651 to 17667, inclusive

If the total amount allowed to, and computed for, any high school district pursuant to Sections 17702 and 17801, is less than the amount of the foundation program of school support computed for such district pursuant to Sections 17651 to 17667, inclusive, he shall add to the amount allowed to, and computed for such district pursuant to Sections 17702 and 17801, such additional amount, to be known as state equalization aid, as may be necessary to equal that computed for such district pursuant to Sections 17651 to 17667, inclusive.

SEC. 51. Section 17903 of said code is repealed

SEC. 52. Section 17903 2 of said code is repealed

SEC. 53. Section 17904 of said code is amended to read:

17904. The Superintendent of Public Instruction shall compare the total of the amounts allowed to, and computed for, each junior college district pursuant to Sections 17702 and 17851, with the amount of the foundation program computed for each district pursuant to Section 17666.2.

If the total amount computed for any district pursuant to Sections 17702 and 17851, is less than the amount of the foundation program computed for such district pursuant to Section 17666.2, he shall add to the amount computed for such district pursuant to Sections 17702 and 17851, such additional

amount, to be known as state equalization aid, as may be necessary to equal that computed for such district pursuant to Section 17666.2.

SEC. 54. Section 17906.2 of said code is amended to read:

17906.2. No state equalization aid shall be allowed unless there shall have been levied pursuant to this code, for a district during the fiscal year, a tax, exclusive of taxes levied under Sections 3356, 16633, 19443, 19619, 20801, and 22101, as follows:

For purposes of allowances for the fiscal year 1963-1964 and for the fiscal years following, not less than sixty cents (\$0.60) if any elementary district, fifty cents (\$0.50) if a high school district, and twenty-five cents (\$0.25) if a junior college district.

SEC. 55. Section 17907 of said code is amended to read:

17907. No state equalization aid shall be allowed under Sections 17614, 17615, and Sections 17901 to 17906.1, inclusive, whichever are in effect, to any district included within a unified school district unless there shall have been levied, pursuant to this code, for such unified school district during the fiscal year, exclusive of tax levied under Sections 3356, 16633, 19443, 19619, 20801, and 22101, a tax in not less than the amount determined by adding the rates of tax required to be levied under Section 17906.2, as may be applicable for each type of district included within the unified school district.

SEC. 56. Section 17908 of said code is amended to read:

17908. No state equalization aid shall be allowed under Sections 17614, 17615, and Sections 17901 to 17906.1, inclusive, whichever are in effect, to any high school district which maintained a junior college unless there shall have been levied, pursuant to this code, during the fiscal year, exclusive of tax levied under Sections 3356, 16633, 19443, 19619, 20801, and 22101, a tax in not less than the amount determined by adding the rates of tax required to be levied under Section 17906.2 for a high school district and for a junior college district.

SEC. 57. Section 17909 of said code is amended to read:

17909. No state equalization aid shall be allowed under Sections 17614, 17615, and Sections 17901 to 17906.1, inclusive, whichever are in effect, to any high school district, the boundaries of which are coterminous with and which is governed by the same governing board as a junior college district, or to any junior college district the boundaries of which are coterminous with and which is governed by the same governing board as the high school district, for which a tax is levied under subsection (e) of Section 20751, unless there shall have been levied, pursuant to this code, during the fiscal year, exclusive of tax levied under Sections 3356, 16633, 19443, 19619, 20801, and 22101, a tax in not less than the amount determined by adding the rates of tax required to be levied under Section 17906.2 for a high school district and for a junior college district.

SEC. 58. Article 7.1 (commencing with Section 17920) is added to Chapter 3 of Division 14 of said code, to read:

Article 7.1. Supplemental Support to Elementary School Districts and High School Districts

17920. The Superintendent of Public Instruction shall allow, in addition to the total amount of basic state aid and equalization aid allowed for each elementary school district, an amount to each elementary district with eleven thousand dollars (\$11,000) or less in assessed valuation for the current fiscal year per unit of average daily attendance for the current fiscal year, and to each high school district with twenty-five thousand dollars (\$25,000) or less in assessed valuation per unit of average daily attendance, exclusive of the average daily attendance of adults, as adults are defined in Section 6352, as computed under this article.

17921. For each elementary school district, the Superintendent of Public Instruction shall determine that portion of the general fund tax rate of the district converted to the nearest cent which is in excess of sixty cents (\$.60), exclusive of rates levied pursuant to Sections 1615, 3356, 16633, 19443, 19619, 20801, and 22101, and not to exceed seventy-five cents (\$.75).

17922. For each high school district, the Superintendent of Public Instruction shall determine that portion of the general fund tax rate of the district converted to the nearest cent which is in excess of fifty cents (\$.50), exclusive of rates levied pursuant to Sections 1615, 3356, 16633, 19443, 19619, 20801, and 22101, and not to exceed thirty-five cents (\$.35).

17923. For each unified school district, the Superintendent of Public Instruction shall determine that portion of the general fund tax rate which is in excess of (1) one dollar and ten cents (\$1.10), if deemed to be an elementary school district and a high school district under Section 17601, and (2) one dollar and forty-five cents (\$1.45), if deemed to be a junior college district under Section 17601, exclusive of rates levied pursuant to Sections 1615, 3356, 16633, 19443, 19619, 20801, and 22101.

In determining the allowances under this article, the rate computed under this section shall first be applied to the elementary school district to the extent authorized in Section 17924, and second to the high school district to the extent authorized in Section 17925.

17924. For each elementary school district, the Superintendent of Public Instruction shall determine a supplementary amount, in excess of the foundation program, for each unit of average daily attendance, exclusive of the average daily attendance in special day and evening classes and summer schools, equal to one dollar and ten cents (\$1.10) for each cent of the tax rate pursuant to Section 17921. In no case shall the supplementary amount per unit of average daily attendance

under this section be in excess of eighty-two dollars and fifty cents (\$82.50). For the 1963-1964 fiscal year it shall be deemed that each elementary district has levied a tax rate of at least one dollar and thirty-five cents (\$1.35).

17925. For each high school district, the Superintendent of Public Instruction shall determine a supplementary amount, in excess of the foundation program, for each unit of average daily attendance, exclusive of the average daily attendance of summer school and adults, as adults are defined in Section 6352, equal to two dollars and fifty cents (\$2.50) for each cent of the tax rate pursuant to Section 17922. In no case shall the supplementary amount per unit of average daily attendance under this section be in excess of eighty-seven dollars and fifty cents (\$87.50). For the 1963-1964 fiscal year it shall be deemed that each high school district levied a tax of at least eighty-five cents (\$0.85).

17926. The Superintendent of Public Instruction shall apportion to each elementary school district and to each high school district the difference between the amount computed under Section 17924 or Section 17925, as the case may be, and the revenue which would be produced (1) for elementary school districts determined by multiplying the tax rate under Section 17921, and (2) for high school districts, determined by multiplying the tax rate under Section 17922, by the assessed valuation of such district. This amount shall be known as supplemental support to school districts.

SEC. 58.5. Article 7.2 (commencing with Section 17940) is added to Chapter 3 of Division 14 of said code, to read:

7.2. Adjustment of Foundation Program Support Allowances

17940. Notwithstanding the provisions of Articles 4, 5, 6, and 7 (commencing with Sections 17751, 17801, 17851 and 17901, respectively) of this chapter or any other provision of law to the contrary, if the computation made under Article 7 (commencing with Section 17901) of this chapter for any grade level maintained by a district, excluding grades 13 and 14 maintained by a junior college, results in no allowance of equalization aid for such district for such grade level, the amount allowable therefor to such district under said Articles 4, 5, 6, and 7 of this chapter, per unit of the particular categories of average daily attendance used for such computations, shall be one hundred twenty-five dollars (\$125) per unit of such average daily attendance during the preceding fiscal year.

SEC. 59. Section 17951 of said code is amended to read:

17951. Beginning with the fiscal year 1963-1964 and for each fiscal year thereafter, the allowance for each unit of average daily attendance during the fiscal year for adults, as adults are defined in Section 6352, shall be as follows:

(a) For those high school districts not eligible for supplemental support the allowance shall be three hundred ten dollars (\$310) less the product of fifty cents (\$0.50) multiplied by each one hundred dollars (\$100) of the assessed valuation of the district per unit of average daily attendance exclusive of adults.

(b) For those high school districts eligible for supplemental support the allowance shall be three hundred ninety dollars (\$390) less the product of eighty-five cents (\$0.85) multiplied by each one hundred dollars (\$100) of the assessed valuation of the district per unit of average daily attendance exclusive of adults.

(c) For each unit of average daily attendance attached to a junior college the allowance shall be four hundred eighty dollars (\$480) less the product of twenty-four cents (\$0.24) multiplied by each one hundred dollars (\$100) of the assessed valuation of the district per unit of average daily attendance exclusive of adults.

The allowance provided by this section for each unit of average daily attendance of an adult, as an adult is defined in Section 6352, not residing in the district and not residing in any district maintaining a junior college shall be limited to one hundred twenty-five dollars (\$125) as basic state aid and no allowance shall be made based on state equalization aid. The total of basic and equalization aid allowed each district shall not be less than one hundred twenty-five dollars (\$125) or exceed two hundred twenty dollars (\$220) for each unit of average daily attendance during the fiscal year for resident adults, exclusive of average daily attendance in classes for inmates of any state institution for adults and for inmates of any city, county, or city and county jail, road camp or farm for adults.

If any computation made under any of the preceding paragraphs of this section produces an allowable amount not in excess of one hundred twenty-five dollars (\$125) per unit of average daily attendance, such allowable amount computed shall be adjusted if, and to the extent necessary, so that the actual allowance shall not exceed one hundred twenty-five dollars (\$125) per unit of average daily attendance of the adults in high schools and junior colleges during the preceding fiscal year.

SEC. 60. Section 17970 of said code is amended to read:

17970. For the fiscal year 1961-62 and each fiscal year thereafter, the Superintendent of Public Instruction shall allow to each junior college district for each unit of average daily attendance of pupils not residing in the district and not residing in any district maintaining a junior college, one hundred twenty-five dollars (\$125) as basic state aid.

There shall be excluded from the computation of allowances provided by this section the average daily attendance of adults,

as adults are defined in Section 6352, and of inmates of any state institution for adults or of any city, county, or city and county jail, road camp, or farm for adults

SEC. 61. Section 17990 of said code is amended to read:

17990. Beginning with the fiscal year 1961-1962, the Superintendent of Public Instruction shall compare (1) the amount computed for a district pursuant to Articles 3, 6, and 7, with (2) the amount which would have been computed if all of the following applied:

(a) The foundation program of the district were computed by multiplying by four hundred twenty-four dollars (\$424) the number of units of average daily attendance in grades 13 and 14 computed under Sections 11451 and 11501, subject to the provisions of Section 17611, of all pupils attending the junior college of the district, whether or not they reside in the district, and excluding any average daily attendance of pupils residing in the district and attending a junior college in another district maintaining a junior college under an interdistrict attendance agreement.

(b) Basic aid were computed on the basis of the average daily attendance referred to in subdivision (a) above.

(c) The tax used in district aid was thirty-three cents (\$0.33).

(d) Equalization aid were computed on the basis of subdivisions (a), (b), and (c) above.

If the amount computed under (2) above exceeds the amount computed under (1) above, the Superintendent of Public Instruction shall, beginning with the fiscal year 1961-1962, make an additional allowance to the junior college district in the following percentages of the amount by which the amount computed under (2) above exceeds the amount computed under (1) above in the 1961-1962 fiscal year and the four fiscal years succeeding.

(1) 1961-1962	-----	80 percent
(2) 1962-1963	-----	60 percent
(3) 1963-1964	-----	40 percent
(4) 1964-1965	-----	20 percent
(5) 1965-1966, and after	-----	None

Each year the equalization aid of those junior college districts which are not affected by the preceding computations shall be reduced proportionately in order to offset the total additional allowance made to the several junior college districts affected by the preceding computations.

In the event that the computation under (2) above exceeds that made under (1) above for any fiscal year, and there are pupils attending in the district under an interdistrict attendance agreement for which a tuition payment is made to the district, the computation under (2) above for the district in which the pupils attend shall be made by excluding the average daily attendance of those pupils.

SEC. 62. Article 9 (commencing with Section 18001) of Chapter 3 of Division 14 of said code is repealed.

SEC. 63. Section 18055 of said code is amended to read:

18055. (a) He shall allow to each elementary school district, high school district, and junior college district, except as to any to which subsections (b), (c) and (d) of this section or Section 18057 is applicable, which during the preceding fiscal year provided for the transportation of pupils, an amount which shall be computed as follows:

He shall determine the total current expenses of the district for such transportation during the preceding fiscal year. He shall then determine what rate of tax levied on each one hundred dollars (\$100) of the assessed valuation of the district as shown by the equalized assessment roll of the district for the preceding fiscal year, hereinafter referred to in this section as computed tax rate, would, if levied, produce such amount. If the computed rate of tax is more than two cents (\$.02) he shall allow to the district (1) 50 percent of the amount which would be produced by not more than eight cents (\$.08) of the computed tax rate less two cents (\$.02), (2) 75 percent of the amount which would be produced by not more than sixteen cents (\$.16) of computed tax less eight cents (\$.08), (3) 80 percent of the amount which would be produced by not more than twenty-four cents (\$.24) of the computed tax less sixteen cents (\$.16), and (4) 90 percent of the amount which would be produced by the computed tax less twenty-four cents (\$.24).

(b) He shall allow to each high school district maintaining a junior college, or maintaining 13th and 14th grades, except as to any to which Section 18057 is applicable, which during the preceding fiscal year provided for the transportation of pupils, an amount which shall be computed as follows:

He shall determine the total current expenses of the districts for such transportation during the preceding fiscal year. He shall then determine what rate of tax levied on each one hundred dollars (\$100) of the assessed valuation of the district as shown by the equalized assessment roll of the district for the preceding fiscal year, hereinafter referred to in this section as computed tax rate, would, if levied, produce such amount. If the computed rate of tax is more than three cents (\$.03) he shall allow to the district (1) 50 percent of the amount which would be produced by not more than twelve cents (\$.12) of the computed tax rate less three cents (\$.03), (2) 75 percent of the amount which would be produced by not more than twenty-four cents (\$.24) of the computed tax rate less twelve cents (\$.12), (3) 80 percent of the amount which would be produced by not more than thirty-six cents (\$.36) of the computed tax rate less twenty-four cents (\$.24), and (4) 90 percent of the amount which would be produced by the computed tax rate less thirty-six cents (\$.36).

(c) He shall allow to each elementary school district which is not a part of a high school district and which during the

preceding fiscal year provided for the transportation of pupils to the elementary schools of the district and to one or more high schools in other districts an amount which shall be computed as follows:

He shall determine the total current expenses of the districts for such transportation during the preceding fiscal year. He shall then determine what rate of tax levied on each one hundred dollars (\$100) of the assessed valuation of the district as shown by the equalized assessment role of the district for the preceding fiscal year, hereinafter referred to in this section as computed tax rate, would, if levied, produce such amount. If the computed rate of tax is more than four cents (\$.04) he shall allow to the district (1) 50 percent of the amount which would be produced by not more than sixteen cents (\$.16) of the computed tax rate less four cents (\$.04), (2) 75 percent of the amount which would be produced by not more than thirty-two cents (\$.32) of the computed tax rate less sixteen cents (\$.16), (3) 80 percent of the amount which would be produced by not more than forty-eight cents (\$.48) of the computed tax rate less thirty-two cents (\$.32), and (4) 90 percent of the amount which would be produced by the computed tax rate less forty-eight cents (\$.48).

If an elementary district which is not a part of a high school district provides only for the transportation of pupils to a high school, an amount shall be computed as provided in subdivision (a) of this section.

(d) He shall allow to each high school district not a part of any junior college district which during the preceding fiscal year provided for the transportation of pupils to the high schools of the district and pupils attending junior colleges maintained by other districts an amount which shall be computed as follows:

He shall determine the total current expenses of the districts for such transportation during the preceding fiscal year. He shall then determine what rate of tax levied on each one hundred dollars (\$100) of the assessed valuation of the district as shown by the equalized assessment roll of the district for the preceding fiscal year, hereinafter referred to in this section as computed tax rate, would, if levied, produce such amount. If the computed rate of tax is more than four cents (\$.04) he shall allow to the district (1) 50 percent of the amount which would be produced by not more than sixteen cents (\$.16) of the computed tax rate less four cents (\$.04). (2) 75 percent of the amount which would be produced by not more than thirty-two cents (\$.32), of the computed tax rate less sixteen cents (\$.16), (3) 80 percent of the amount which would be produced by not more than forty-eight cents (\$.48) of the computed tax rate less thirty-two cents (\$.32), and (4) 90 percent of the amount which would be produced by the computed tax rate less forty-eight cents (\$.48).

If a high school district which is not a part of a junior college district provides only for the transportation of pupils to a junior college, an amount shall be computed as provided in subdivision (a) of this section.

SEC. 64. Section 18056 of said code is amended to read:

18056. (a) He shall allow to each unified school district formed under the provisions of Sections 3001 to 3451, inclusive, of this code, the formation of which became effective on July 1, 1948, or thereafter, an amount equal to the total current expenses of the district during the preceding fiscal year for the transportation of pupils, determined by the Superintendent of Public Instruction to have been required because of a change of the location of schoolhouses or the reorganization of attendance centers within the district during such preceding fiscal year. No allowance shall be made under this paragraph subsequent to the close of the fifth fiscal year following that in which the district was formed and thereafter the provisions of subsection (b) or (c) of this section shall control as to such district.

(b) He shall allow to each unified school district not maintaining a junior college which during the preceding fiscal year provided for the transportation of pupils, an amount which shall be computed as follows:

He shall determine the total current expenses of the district for such transportation during the preceding fiscal year. He shall then determine what rate of tax levied on each one hundred dollars (\$100) of the assessed valuation of the district as shown by the equalized assessment roll of the district for the preceding fiscal year, hereinafter referred to in this section as computed tax rate, would, if levied, produce such amount. If the computed rate of tax is more than three cents (\$0.03) he shall allow to the district (1) 50 percent of the amount which would be produced by not more than twelve cents (\$0.12) of the computed tax rate less three cents (\$0.03), (2) 75 percent of the amount which would be produced by not more than twenty-four cents (\$0.24) of the computed tax rate less twelve cents (\$0.12), (3) 80 percent of the amount which would be produced by not more than thirty-six cents (\$0.36) of the computed tax rate less twenty-four cents (\$0.24), and (4) 90 percent of the amount which would be produced by the computed tax rate less thirty-six cents (\$0.36).

(c) He shall allow to each unified school district maintaining a junior college which during the preceding fiscal year provided for the transportation of pupils, an amount which shall be computed as follows:

He shall determine the total current expenses of the district for such transportation during the preceding fiscal year. He shall then determine what rate of tax levied on each one hundred dollars (\$100) of the assessed valuation of the district as shown by the equalized assessment roll of the district for the preceding fiscal year, hereinafter referred to in this

section as computed tax rate, would, if levied, produce such amount. If the computed rate of tax is more than four cents (\$0.04) he shall allow to the district (1) 50 percent of the amount which would be produced by not more than sixteen cents (\$0.16) of the computed tax rate less four cents (\$0.04), (2) 75 percent of the amount which would be produced by not more than thirty-two cents (\$0.32) of the computed tax rate less sixteen cents (\$0.16), (3) 80 percent of the amount which would be produced by not more than forty-eight cents (\$0.48) of the computed tax rate less thirty-two cents (\$0.32), and (4) 90 percent of the amount which would be produced by the computed tax rate less forty-eight cents (\$0.48).

SEC. 65. Section 18057 of said code is amended to read:

18057. He shall compute for each group of two or more school districts which have been continuously from a time prior of July 1, 1949, governed by boards of identical personnel during the preceding fiscal year and have maintained a single transportation system for all of such districts which provided for the transportation of pupils, an amount which shall be computed as follows:

He shall determine the total current expenses of the districts for such transportation during the preceding fiscal year.

(a) He shall, if such group comprises an elementary school district and a high school district not maintaining a junior college and each district provided for the transportation of pupils, or comprises an elementary school district, a high school district, and a junior college district and each district except the junior college district provided for the transportation of pupils residing in the district, or comprises a high school district and a junior college district and each district provided for the transportation of pupils, then determine what rate of tax levied on each one hundred dollars (\$100) of the assessed valuation of that one of such districts providing for the transportation of pupils which has the largest assessed valuation as shown by the equalized assessment roll of the district for the preceding fiscal year, hereinafter referred to in this section as computed tax rate, would, if levied, produce such amount. If the computed rate of tax is more than three cents (\$0.03) he shall allow the district (1) 50 percent of the amount which would be produced by not more than twelve cents (\$0.12) of the computed tax rate less three cents (\$0.03), (2) 75 percent of the amount which would be produced by not more than twenty-four cents (\$0.24) of the computed tax rate less twelve cents (\$0.12), (3) 80 percent of the amount which would be produced by not more than thirty-six cents (\$0.36) of the computed tax rate less twenty-four cents (\$0.24), and (4) 90 percent of the amount which would be produced by the computed tax rate less thirty-six cents (\$0.36).

(b) He shall, if such group comprises an elementary school district, and a high school district maintaining a junior college, each of which provided for the transportation of pupils,

including those attending the junior college, or comprises an elementary school district, a high school district, and a junior college district (other than one providing transportation only for pupils not residing in the district), each of which provided for the transportation of pupils, then determine what rate of tax levied on each one hundred dollars (\$100) of the assessed valuation of that one of such districts providing for the transportation of pupils which had the largest assessed valuation as shown by the equalized assessment roll of the district for the preceding fiscal year, hereinafter referred to in this section as computed tax rate, would, if levied, produce such amount. If the computed rate of tax is more than four cents (\$0.04) he shall allow to the district (1) 50 percent of the amount which would be produced by not more than sixteen cents (\$0.16) of the computed tax rate less four cents (\$0.04), (2) 75 percent of the amount which would be produced by not more than thirty-two cents (\$0.32) of the computed tax rate less sixteen cents (\$0.16), (3) 80 percent of the amount which would be produced by not more than forty-eight cents (\$0.48) of the computed tax rate less thirty-two cents (\$0.32), and (4) 90 percent of the amount which would be produced by the computed tax rate less forty-eight cents (\$0.48).

He shall then allow to each district in the group the same ratio of the total amount computed for the group as the governing boards of the districts in the groups certify to him is the ratio the amount expended for such transportation in such district during the preceding fiscal year was of the total expenditures of all districts in the group for such transportation during the preceding fiscal year.

SEC. 65.3. Section 18251 of said code is amended to read:

18251. The Superintendent of Public Instruction shall allow to each school district an amount equal to the actual cost, but not in excess of forty-five dollars (\$45) per pupil instructed in automobile driver training, during the preceding fiscal year in accordance with Sections 8109 and 18252 and with regulations set forth by the State Board of Education to districts for instructing pupils in automobile driver training.

SEC. 65.5. Section 18253 of said code is amended to read:

18253. The Superintendent of Public Instruction shall make an additional allowance to each school district as reimbursement for the actual expense of replacing vehicles used exclusively in automobile driver training programs and of replacing simulators used in such programs, but the amount shall not exceed three-fourths of that part of the actual cost of instructing pupils in automobile driver training during the preceding fiscal year which was: (1) in excess of forty-five dollars (\$45) per pupil instructed, and (2) expended by the district in replacing such vehicles and simulators.

A "simulator" is any automobile driver training device approved by the Department of Education to be used in classrooms for purposes of driver training instruction under simulated driving conditions.

SEC. 66. Section 18302 of said code is amended to read:

18302. A project-connected pupil, as used in this article (commencing at Section 18301), means a child of a parent, guardian, or other person standing in loco parentis who has enrolled in the regular full-time day schools of the district subsequent to the commencement of a project, whose parent or guardian is employed by a contractor or subcontractor in connection with the project, or by the State of California whose work is in connection with the project and such child is in addition to the number of children who would otherwise normally be expected to be in the district, as approved by the Superintendent of Public Instruction in accordance with regulations that he is herewith authorized to adopt. The records identifying, and accounting for the attendance of project-connected children shall be prescribed by the Superintendent of Public Instruction.

SEC. 67. Section 18303 of said code is amended to read:

18303. The Superintendent of Public Instruction shall allow to each eligible district, for each unit of average daily attendance in the regular full-time day schools of the district of project-connected pupils, as project-connected pupils are defined in Section 18302, an amount equal to the foundation program of the district, less basic and equalization aid divided by the average daily attendance of the district.

SEC. 68. Section 18355 of said code is amended to read:

18355. The Superintendent of Public Instruction shall allow, in addition to all other allowances, to the county school service funds: (a) for all emergency schools maintained in each elementary school district of the county by the county superintendent of schools, (b) all special schools or classes for mentally retarded minors and severely mentally retarded minors maintained in each elementary school district of the county by the county superintendent of schools, and (c) all elementary schools maintained in juvenile halls, juvenile homes, and juvenile camps, by the county superintendent of schools, the same amount as he would compute as the foundation program of the elementary school district under Section 17655.5 or Section 17656.

No allowance shall be made for emergency schools which is in excess of the actual expense of maintaining the emergency school.

SEC. 69. Section 18356 of said code is repealed.

SEC. 70. Section 18357 of said code is repealed

SEC. 71. Section 18358 of said code is amended to read:

18358 For all physically handicapped pupils and mentally retarded minors of secondary grade educated by the county superintendent of schools and for all secondary schools maintained in juvenile halls, juvenile homes and juvenile camps by the county superintendent of schools, the Superintendent of

Public Instruction shall allow the same amount as he would compute for the foundation program of a high school district under Section 17665.

SEC. 72. Section 18401 of said code is amended to read:

18401. The Superintendent of Public Instruction shall allow to each county school tuition fund one hundred twenty-five dollars (\$125) for each unit of average daily attendance of pupils residing in the county and attending school in an adjoining state during the fiscal year. Such average daily attendance shall not be included in the computations provided for in Section 17702.

SEC. 73. Section 18451 of said code is amended to read:

18451. (a) The total amount allowed from the State School Fund as basic and equalization aid, and allowances in lieu of basic and equalization aid allowed pursuant to Sections 18355, 18356, 18357, 18358 and 18401, to be apportioned on account of average daily attendance during the fiscal year credited to all kindergarten, elementary, high school, and junior college schools in the state and county school tuition funds on account of elementary, high school, and junior college school pupils shall not exceed the amount provided by law therefor.

(b) The total amount allowed from the State School Fund pursuant to Section 18060 and Sections 18101 to 18206, inclusive, shall not exceed the amount provided by law therefor.

SEC. 74. Section 18452 of said code is amended to read:

18452. If the total amount allowed from the State School Fund to all school districts, county school service funds, and county school tuition funds under Sections 17751, 17801, 17851, 17901, 17902, 17904, 17905, 17906, 17926, 17951, 17952, 17970, 18355, 18356, 18357, 18358, and 18401 on account of average daily attendance during the fiscal year credited to all kindergarten, elementary, high school, and junior college schools in the state and county school tuition funds is less than the amount provided by law for such purposes, the balance shall be allowed pursuant to Section 18460.

SEC. 75. Section 18455 of said code is amended to read:

18455. If the total amount allowed from the State School Fund to all school districts, county school service funds, and county tuition funds under Sections 17751, 17801, 17851, 17926, 17951, 17952, 17901, 17902, 17903, 17904, 17905, 17906, 17970, 18355, 18356, 18357, 18358, and 18401, on account of average daily attendance during the fiscal year credited to all kindergarten, elementary, high school, and junior college schools in the state and county school tuition funds is more than the total amount provided by law for such purposes, the amount allowed each such district as equalization aid from the State School Fund shall be reduced proportionately.

SEC. 76. Section 18458 of said code is repealed.

SEC. 77. Section 18460 of said code is amended to read:

18460. If the total amount allowed county school service funds under Sections 18351 to 18354, inclusive, is less than the amounts provided by Section 18352 the balance shall be added to the balances resulting from the application of Sections 18061, 18452, 18453, and subdivision (b) of Section 17404. Only so much of the total of such balances as is actually necessary shall be used as follows:

(a) First, to restore proportionately the amounts reduced under Section 18455.

(b) Second, to restore, in the order herein listed, the amounts reduced under Section 18456 and subdivision (a) of Section 18061.

Any remaining balances otherwise transferable under subdivision (b) of Section 17301 shall remain in the General Fund, but shall be considered, to the extent applicable, pursuant to subdivision (c) of Section 17301 in determining the total amount available to meet deficits in computed apportionments for the purposes set forth in Sections 17303 and 17303.5 in subsequent fiscal years.

SEC. 77.5. Section 20901 of said code is amended to read:

20901. The county auditor may impound the disputed revenues of school district taxes, upon secured or unsecured property, levied and collected in the 1954-1955 fiscal year, and thereafter, whenever, pursuant to Chapter 5, Part 9, Division 1 of the Revenue and Taxation Code, a claim or action is filed for the return of such revenues, or the taxes have been paid under protest. The county auditor may continue to impound such revenues until the final disposition of such claim or action. If, under such final disposition, it is determined that such taxes were properly levied against such property, the auditor shall release such revenues to the school district, and he shall thereupon immediately notify, in writing, the Superintendent of Public Instruction and the State Controller of such release.

SEC. 78. Section 1817 of the Revenue and Taxation Code is amended to read:

1817. The board shall annually estimate any change that may have occurred in the full cash value of locally assessable tangible property between the lien date of the roll for which the last survey was made pursuant to Section 1815 and the lien date of the current roll. The board shall use as the basis for such estimate data on school enrollment, retail sales, wages, or other factors reasonably indicative of change or lack of change in the total full cash value of the property. The relationship between the total assessed value of the tangible property on the current local roll and the total full cash value of locally assessable tangible property so estimated shall be computed for each county of the State by the third Monday in July of each year. The board shall transmit promptly to each county assessor and county superintendent of schools, and to

the Superintendent of Public Instruction a statement of its preliminary determination of this relationship.

SEC. 79. Funds transferred to the credit of the County School Service Fund Surplus Account in the General Fund, established by Section 4 of Chapter 1006 of the Statutes of 1961, shall be transferred to the State School Fund immediately after the effective date of this act.

SEC. 80. Sections 6903, 6904, 6913.1, 8951, and 8955.1, as amended by Sections 2 to 6, inclusive, of this act, shall become operative on July 1, 1964.

SEC. 81. It is the intent and purpose of the Legislature to authorize the transfer, on the effective date of this act, from the General Fund in the State Treasury to the State School Fund of the additional moneys (as needed) provided for the 1963-1964 fiscal year by the amendments to Section 17301 of the Education Code effected by this act, with the same to be available for apportionment during the said 1963-1964 fiscal year. It is the further intent and purpose of the Legislature that the provisions of this act, insofar as they conflict with the provisions of Assembly Bill No. 888 of the 1963 Regular Session, and if said Assembly Bill No. 888 is enacted into law, shall, on the effective date of this act, supersede any such provisions of said Assembly Bill No. 888 which shall be effective and operative prior to and until such time. It is the further intent and purpose of the Legislature that the Superintendent of Public Instruction, on and after the effective date of this act, shall undertake all measures reasonably necessary to effectuate the provisions of this act by way of adjusting allowance computations, apportionments, disbursements, and in all other respects.

SEC. 82. The provisions of this act shall not be construed as impairing or otherwise affecting the validity of any school district budget proceedings undertaken pursuant to Division 16 (commencing with Section 20501) of the Education Code for the fiscal year 1963-64. Notwithstanding the provisions of Sections 20951 and 21001 or any provision of the Education Code to the contrary, the governing board of any school district may budget and use any unbudgeted apportionments from the State School Fund provided during the 1963-64 fiscal year pursuant to the provisions of this act without the requirement for repetition of any publication or other budgeting procedures.

SEC. 83. All money deposited in the special reserve account in the General Fund created by Section 19.5 of the Budget Act of 1963 during the 1963-1964 fiscal year, and all money which may be deposited in said account during the 1964-1965 fiscal year shall be reserved for educational purposes.

CHAPTER 15

An act to amend and supplement the Budget Bill for the 1963-64 fiscal year (enacted as the Budget Act of 1963) by adding thereto Section 37A, relating to 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 by Governor August 10, 1963. Filed with
Secretary of State August 10, 1963.]

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

SECTION 1. Section 37A is added to the Budget Bill for the 1963-64 fiscal year enacted as the Budget Act of 1963 (Chapter 1050, Stats. 1963), to read:

Sec. 37A. The appropriations made by Item 8 of Section 2 of the Budget Bill for the 1963-64 fiscal year (Ch. 1050, Stats. 1963) and by Item .5 of Section 2.A as added to said Budget Bill by Senate Bill No. 4 of the 1963 First Extraordinary Session, may be expended to pay the expenses of advisers to assist and advise Assembly interim committees.

SEC. 2. This act makes an appropriation for the usual current expenses of the State within the meaning of Article IV of the Constitution and shall go into immediate effect.

CONCURRENT AND JOINT
RESOLUTIONS

FIRST EXTRAORDINARY SESSION

1963

CONCURRENT AND JOINT RESOLUTIONS

ADOPTED AT THE 1963 FIRST EXTRAORDINARY SESSION OF
OF THE LEGISLATURE

CHAPTER 1

Assembly Concurrent Resolution No. 1—Relative to a legislative study of the effect of the decision in Arizona v. California on state water planning.

[Filed with Secretary of State July 17, 1963.]

WHEREAS, On June 3, 1963, the United States Supreme Court delivered its decision in Arizona v. California, relating to the division of the waters of the Colorado River; and

WHEREAS, The Colorado River is a vital source of municipal, industrial and agricultural water to a large area of California; and

WHEREAS, Widespread concern has been expressed over the far-reaching effects and impact of this decision on California's future economy; and

WHEREAS, Said decision may necessitate future steps to maintain sufficient water supplies to California users of Colorado River water; and

WHEREAS, The state government may be required to take major action as a result of the decision; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That it is appropriate at this time that the Legislature undertake a study of the effect of the decision, including an analysis of any state action which may be required as a result of the decision; and be it further

Resolved, That the Rules Committee of each house of the Legislature, respectively, is requested to refer to an appropriate interim committee for study the subject of the United States Supreme Court decision in Arizona v. California, and to direct each committee to report its findings and recommendations to the Legislature not later than the fifth calendar day of the 1965 Regular Session; and be it further

Resolved, That each of the interim committees, to the extent possible, shall co-operate with the other in making this study.

CHAPTER 2

Assembly Concurrent Resolution No. 6—Relative to a lease of state property to the City of Chino.

[Filed with Secretary of State July 17, 1963.]

WHEREAS, The City of Chino intends to lease for a 20-year period for development as a park certain state property of the California Institution for Men and a master plan for the development of the park by the city has been devised; and

WHEREAS, A question exists concerning the maximum term for a lease of state property for such purpose; 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 approves of the proposal to lease state property of the California Institution for Men to the City of Chino for development as a park and it is the intention of the Legislature to make the property available to the City of Chino for such purpose for a period of 20 years and, if necessary, to enact legislation to clarify the law with respect to the maximum term of leases of state land to assure a minimum 20-year lease of the property in question; and be it further

Resolved, That the Chief Clerk of the Assembly shall transmit a copy of this resolution to the members of the City Council of the City of Chino.

CHAPTER 3

Assembly Concurrent Resolution No. 5—Relative to budget studies by the Joint Legislative Budget Committee.

[Filed with Secretary of State July 18, 1963.]

WHEREAS, It has come to the attention of the subcommittees of the Committee on Ways and Means in hearings on the Budget Bill that there continue to be instances where the workload requirement of a state agency is based upon the provisions of a statute which is now obsolete or no longer required; and

WHEREAS, These instances are not always evaluated by the agency affected by the statute and brought to the attention of the Legislature; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Joint Legislative Budget Committee be, and is hereby, requested to review the statutes which govern the workload requirements of the various state agencies to determine if conditions have changed to such an extent as to warrant repeal or amendment of any such statutes; and be it further

Resolved, That these matters be brought to the attention of the Legislature by the Legislative Analyst in the 1964-65 Analysis of the Budget Bill.

CHAPTER 4

Assembly Concurrent Resolution No. 3—Relative to retirement benefits for lifeguard employees.

[Filed with Secretary of State July 23, 1963]

WHEREAS, Many local agencies have seen fit to take advantage of the retirement coverage for their employees offered by the State Employees' Retirement System under the able guidance of its board of administration; and

WHEREAS, Cities, particularly, have recognized the need for a retirement program for their lifeguards which not only gives them a pension commensurate with their service to the city but which encourages retirement at age 55, an appropriate provision in view of the physical demands imposed upon lifeguards; and

WHEREAS, These employees frequently have concurrent coverage under the federal social security program and are required under the terms of the agreement with the federal government to remain so covered; and

WHEREAS, Inclusion of these lifeguards under the local safety member provisions designed to promote retirement at age 55 would, coupled with their federal coverage, give them a retirement allowance exceeding that given other safety members, thereby creating an undesirable inequity; and

WHEREAS, There presently exists authority under the law governing the State Employees' Retirement System for the board of administration thereof to evolve, in co-operation with the local contracting agency, a solution to the dilemma posed by the board's understandable reluctance to institute a different scheme of coverage integrated with social security and the city's desire to provide an appropriate program for its lifeguards; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Legislature hereby requests the Board of Administration of the State Employees' Retirement System to give sympathetic consideration to the request of local contracting agencies for an appropriate system of coverage for its lifeguards; and be it further

Resolved, That the Chief Clerk of the Assembly is directed to transmit a copy of this resolution to the Board of Administration of the State Employees' Retirement System.

CHAPTER 5

Senate Joint Resolution No. 1—Relative to including Black Butte Dam and Reservoir in the federal Central Valley Project.

[Filed with Secretary of State July 23, 1963]

WHEREAS, Inclusion in the federal Central Valley Project provides a substantial reduction in the price of water to the users, and consequently results in savings to the people of the State of California; and

WHEREAS, There is a need for an additional water supply in the area south of Stony Creek in the Sacramento Valley, and there is presently available from storage in Black Butte Reservoir some 80,000 acre-feet of water; now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to include the Black Butte Dam and Reservoir in the federal Central Valley Project; and be it further

Resolved, That the Secretary of the Senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Secretary of the Interior, and to each Senator and Representative from California in the Congress of the United States.

CHAPTER 6

Senate Concurrent Resolution No. 1—Relative to a study of compensation for legal examiners, hearing officers, and referees.

[Filed with Secretary of State July 23, 1963]

WHEREAS, There are in the state government numerous classes of legal examiners, hearing officers, and referees, and at each general session, bills have been introduced to change the compensation of some of these classes; and

WHEREAS, It has not been feasible for the Legislature to evaluate the merits of these bills on a piecemeal basis, and the Legislature has passed none of them; and

WHEREAS, The Legislature has instituted, and continues to support, a policy of equal pay for comparable duties and responsibilities, and the bills referred to indicate that there may, in fact, be salary inequities; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the State Personnel Board is requested to conduct a comprehensive review of the salaries

of legal examiners, hearing officers, and referees in the state government, and, in making such review, to give due hearing to representatives of the affected agencies; and be it further

Resolved, That to the extent that it is within its power to do so, the board shall eliminate any differences in salaries of such personnel not warranted by differences in duties and responsibilities; and be it further

Resolved, That the board shall report to the Legislature at the 1964 Regular Session on the steps it has taken pursuant to this resolution and on the need, if any, for additional legislation relating to this subject; and be it further

Resolved, That the Secretary of the Senate is directed to transmit a copy of this resolution to the Executive Officer of the State Personnel Board.

CHAPTER 7

Assembly Concurrent Resolution No 7—Relative to the Citizens Advisory Commission on Revision of the California Constitution.

[Filed with Secretary of State July 24, 1963]

Resolved by the Assembly of the State of California, the Senate thereof concurring, That notwithstanding the provisions of Assembly Concurrent Resolution No. 77 of 1963, the Joint Committee on Legislative Organization is authorized to appoint a Constitutional Revision Commission to provide the Joint Committee and the Legislature with facts and recommendations relating to the revision of the Constitution of the State of California. The commission shall consist of not less than 25, and not more than 50 citizens, excluding legislative members, and all of the nonlegislative members shall be appointed by the Joint Committee on Legislative Organization. The members of the Joint Committee on Legislative Organization shall be ex officio members of the commission. The commission shall, in addition, include three other Members of the Senate appointed by the Committee on Rules thereof, and three other Members of the Assembly, appointed by the Speaker thereof. Not more than two of such other Members of the Senate and not more than two of such other Members of the Assembly shall be of the same party. Vacancies in the commission shall be filled by the respective appointing powers. The commission membership shall be broadly representative of the various political, economic and social groupings within the State.

The commission shall select its own chairman, who may appoint an executive committee and such other committees as the commission shall determine. The commission shall assist

and advise the Joint Committee on Legislative Organization in its deliberations as to revision of the California Constitution and shall report its findings and recommendations to the Joint Committee on Legislative Organization from time to time. The members of the commission shall serve without compensation but each member shall be allowed actual expenses incurred in the discharge of his duties, including travel expenses.

The Joint Committee on Legislative Organization shall provide the commission with the necessary staff, equipment and supplies to carry on its work. All expenses of the commission including the expenses of its members both legislative and nonlegislative shall be paid from the money allocated to the Joint Committee on Legislative Organization from the Senate and Assembly Contingent Funds.

The existence of the commission shall terminate 90 days after the termination of the 1965 Regular Session of the Legislature.

CHAPTER 8

Assembly Joint Resolution No. 1—Relating to the Point Reyes National Seashore.

[Filed with Secretary of State July 25, 1963.]

WHEREAS, The Point Reyes National Seashore was authorized by the Congress in 1962; and

WHEREAS, The Congress has appropriated \$5,000,000 for the seashore, and it is likely that an additional \$2,000,000 will be contained in the 1964 budget for this project; and

WHEREAS, Additional funds will be needed to complete the project and to assure early commencement of public enjoyment of this area; and

WHEREAS, The Point Reyes National Seashore has been planned for several years, and this has caused problems among landowners who are anticipating that their land will be taken and therefore cannot plan for future use; and

WHEREAS, Funds are now available for the federal government to begin the purchase of lands needed for the Point Reyes National Seashore; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly. That the Legislature of the State of California respectfully urges the Department of the Interior to begin the purchase of the lands needed for the Point Reyes National Seashore, and also respectfully urges the Congress to appropriate the additional funds needed to complete the project; and be it further

Resolved, That the Chief Clerk of the Assembly be directed to 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 Representative from California in the Congress of the United States, and to the Secretary of the Interior.

CHAPTER 9

Assembly Concurrent Resolution No. 4—Relative to state highway routes.

[Filed with Secretary of State July 25, 1963.]

WHEREAS, The Legislature has passed Senate Bill No. 238 which changes and adds new state highway route numbers and descriptions to the Streets and Highways Code; and

WHEREAS, Chapter 385 of the Statutes of 1963 would renumber Route 60 to Route 1; and

WHEREAS, Certain of the amendments adopted to Senate Bill No. 238 specify that Route 60 (Route 1 under Chapter 385) shall proceed via the tunnel under the Los Angeles International Airport and northwesterly therefrom via Lincoln Boulevard; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That it was the intention of the Legislature that Senate Bill No. 238 have no effect on Route 60 (Route 1 under Chapter 385) northwesterly of Washington Boulevard.

CHAPTER 10

Assembly Concurrent Resolution No. 8—Relative to state scholarships.

[Filed with Secretary of State July 25, 1963.]

WHEREAS, Pursuant to the provisions of the Education Code enacted in 1960, 640 new scholarships were to be awarded in the 1963-1964 fiscal year, but appropriation of funds was not made until the budget of that year was presented; and

WHEREAS, The Scholarship Commission of the State of California did make these awards and did notify the recipients of the fact; and

WHEREAS, During the general session of the Legislature of the State of California, there was not provided the necessary budget augmentation to support this program; and

WHEREAS, Many of the recipients had made plans to attend the school of their choice based on the scholarship they expected to receive; and

WHEREAS, These students have been greatly inconvenienced, embarrassed and financially obligated as a result of the reliance placed upon the announced award; and

WHEREAS, The Legislature has no desire to inconvenience, embarrass or burden these students, nor to have itself committed prior to the final adoption of a budget bill to pay expenses until all the needs of the State of California in that fiscal year have been considered; and

WHEREAS, This scholarship program is one which the Legislature endorses and it desires to continue this program which provides assistance to outstanding students and further implements the educational program of the State of California; and

WHEREAS, It is recognized that students must enroll in colleges as early as May, often before the final passage of the budget bill, and that there may be need for appropriations far enough in advance to allow students to make plans for enrollment in college before the normal time of adoption of the budget; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring. That the State Scholarship Commission, the Department of Finance and the Legislative Analyst are directed to submit to the 1964 Regular Session of the Legislature a proposal creating a budget of sufficient size to assure awards for the next two fiscal years in advance, thereby creating a reserve, or a proposal for a continuing appropriation so that the program will provide assistance from year to year for those students at a time convenient for their needs; and be it further

Resolved, That the State Scholarship Commission of California be instructed not to announce prior to the end of the 1964 legislative session, either publicly or to the recipient, the granting of any award of a scholarship until the enabling act and the budget appropriation therefor has been finally enacted into law; and be it further

Resolved, That the Chief Clerk of the Assembly is directed to transmit copies of this resolution to Mr. Arthur Marmaduke, Director of the State Scholarship Commission, the Director of Finance, the Legislative Analyst and the Governor of the State of California

CHAPTER 11

Assembly Concurrent Resolution No. 10—Relative to the Diamond Jubilee of the City of Long Beach.

[Filed with Secretary of State July 25, 1963.]

WHEREAS, The City of Long Beach was incorporated in the year 1888 and thus celebrates, this year, its diamond jubilee, commemorating 75 years of growth and progress, during which it has achieved a position of civic greatness and unsurpassed municipal accomplishment; and

WHEREAS, The City of Long Beach has earned great public favor through its desire to provide the citizens of California with outstanding recreational facilities, including the eight-mile public beach for which the city was named, the Long Beach Marina, and the Marine Stadium; and has won international prominence through outstanding activities, such as

the annual International Beauty Pageant, world sports events and cultural presentations; and

WHEREAS, Long Beach is recognized as a leading international market place, with its growing port and world trade activities, and has contributed extensively to the economy of California through its vitally important industries, including major oil fields, Douglas Aircraft Corporation, and Long Beach Naval Shipyard, serving as home port of most of the Navy's Pacific Fleet, and has achieved distinction with its outstanding public school system and the dynamic growth of Long Beach State College, which serves an enrollment of more than 12,000 students after less than 12 years establishment; and

WHEREAS, This growth and development has been made possible because of responsible city administrations and public officials, aggressive volunteer leadership and chamber of commerce, alert newspapers and community organizations, and a civic-minded citizenry which now numbers more than 360,000 individuals; and

WHEREAS, A celebration will be staged during the month of November in tribute to Long Beach's 75 years as a city and will include many significant events which will be long remembered, including a musical spectacular, Pioneer Day, Navy Day, Industry Day, Sports Day, State Appreciation Day, Harbor Day, Faith of Our Fathers Day, Celebrity Day, Education Day, and an aquarama water show; and

WHEREAS, The Board of Directors of Long Beach Diamond Jubilee Incorporated (division of the chamber of commerce) is composed of 45 prominent citizens who are giving of their time and financial support to make the celebration possible, with principal officers consisting of Harry Buffum, chairman of the board; A. L. Code, president; Harry J. Krusz, secretary-treasurer; and William C. Boyd, general manager; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Legislature extends its warmest congratulations to the City of Long Beach on the occasion of its diamond jubilee and tenders best wishes for the success of the diamond jubilee celebration; and be it further

Resolved, That the Chief Clerk of the Assembly is directed to transmit copies of this resolution to: the Board of Directors of Long Beach Diamond Jubilee Incorporated; the Long Beach Chamber of Commerce; the City Council of the City of Long Beach; the President of Long Beach State College; Downtown Long Beach Associates; and the Long Beach Civic Light Opera Association.

CHAPTER 12

Assembly Concurrent Resolution No. 11—Relative to a study of the Governor's residence.

[Filed with Secretary of State July 25, 1963.]

WHEREAS, The present residence of the Governor of the State of California is and has been for several years inadequate and outmoded; and

WHEREAS, The Legislature of the State of California is concerned that any new residence for the Governor of the State of California be compatible with the needs of the Governor and the requirements of the office of Governor, and reflect the position of the State of California to its credit; and

WHEREAS, The Department of Finance and the Capitol Building and Planning Commission has heretofore conducted a survey of needs and held a statewide competition among private architects and recommended a plan and site for a new Governor's residence; and

WHEREAS, There was not sufficient time in the 1963 General Session of the Legislature for the Legislature to sufficiently analyze, investigate and act upon the recommendations submitted to it; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, As follows:

1. The Legislative Budget Committee is hereby authorized and directed to ascertain, study and analyze all facts relating to the type, design, cost of, and other factors relating to a new Governor's residence, including but not limited to the operation, effect, administration, enforcement and needed revision of any and all laws in any way bearing upon or relating to the subject of this resolution, and to report thereon to the Legislature, including in the reports its recommendations for appropriate legislation.

2. The committee shall file its final report on the study made pursuant to this resolution not later than the first legislative day of the 1964 Regular Session.

CHAPTER 13

Assembly Concurrent Resolution No. 2—Relative to state public works projects.

[Filed with Secretary of State July 26, 1963.]

WHEREAS, No provision is now made for indicating upon the signs which are posted upon public works projects of the State of California during construction (including bridges but excluding highways) the name of the Member of the Legislature

who was the author of the legislation which authorized the particular project; and

WHEREAS, It would be appropriate and desirable that a means be provided by which the public may be advised of the name of the Member of the Legislature who has represented them in securing the construction of the public works project, now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the department of the State of California having jurisdiction over a public works project of the State is directed to indicate upon the signs which are posted upon such public works projects during construction (including bridges but excluding highways) the name of the Member of the Legislature who was the author or coauthor of the legislation which authorized the project if such member requests the department to do so; and be it further

Resolved, That the Chief Clerk of the Assembly is directed to transmit a copy of this resolution to the Director of Public Works.

CHAPTER 14

Assembly Concurrent Resolution No. 13—Relative to a joint interim study of the cost of weekend and holiday guides in the Capitol Building.

[Filed with Secretary of State July 26, 1963]

WHEREAS, The people of the State of California are justly proud of, and actively interested in, their Capitol Building; and

WHEREAS, The Capitol Building and grounds are the most beautiful in the nation and the offices, halls, and chambers are the most modern; and

WHEREAS, Although the Capitol Building and its many points of interest are visited by people from throughout the State, the nation, and the world, certain very interesting areas of the Capitol Building are closed to these visitors on weekends and holidays, which days are naturally the most popular for visiting points of public interest; and

WHEREAS, There is a clear need for qualified guides to greet and assist visitors to the Capitol Building on weekends and holidays; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Joint Committee on Legislative Organization is directed to study, investigate, and report on, the cost of employing qualified guides, including but not limited to, college students, as weekend and holiday guides in the Capitol Building and to report thereon to the Legislature, no later than the fifth day of the 1965 Regular Session.

CHAPTER 15

Senate Concurrent Resolution No. 4—Relative to final adjournment of the 1963 First Extraordinary Session of the Legislature.

[Filed with Secretary of State August 5, 1963.]

Resolved by the Senate of the State of California, the Assembly thereof concurring, that the 1963 First Extraordinary Session of the Legislature of the State of California shall adjourn sine die at 12 o'clock noon, on the first day of August, 1963.